

# DISTRIBUTION AND WAREHOUSING



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## Public Warehousing and Economic Distribution

### Number 30

#### Public or Private Storing?

By H. A. HARING

FOUR major elements of cost are involved, Mr. Haring declares in this article, in the manufacturer's problem of choosing either public or private storage. They are:

1. Cost of storage space.
2. Handling of goods.
3. Insurance.
4. Taxes.

Each has its influence on the

marketing of goods at distant points, the author declares.

The conclusion is reached that neither method—public or private—is “the final word for all manufacturers”; that “neither is likely to snuff out the other in America.”

“The small corporation, or any corporation with limited distribution in a territory, cannot afford the luxury of a private warehouse,”

Mr. Haring asserts. And yet—

“With big corporations and rich corporations, it may yet be wise not to do for themselves what they can buy from public warehouses for a known cost per unit.”

Why? The author explains in this thirtieth of his series of “Public Warehousing and Economic Distribution” articles. The thirty-first will appear in an early issue.

IN the distribution of goods from factory to consumer few questions are more perplexing to the management than that of branch storing. “Is it best to have a building of our own, with our name where all will see, or shall we store with a public warehouse?”

At one time, the dark ages of warehousing, the only method was that of a private storage place. Every concern did it, because there was no other way. Every concern, too, felt the uselessness of an agency storage that was idle half the year, and every observer could see the

needless costs of competing manufacturers who swelled their selling expenses in this manner. It therefore resulted, almost exactly forty years ago, that a group of makers of farm implements and vehicles were persuaded to pool their interests, and cut their costs, by consigning their shipments to an implement warehouse in the Mississippi Valley.

Since that day public warehouses have sprung up everywhere. During the same period, too, everything else has changed, including the swing from seasonal purchases of

# Public Warehousing and Economic Distribution

large quantities to frequent purchases of smaller units.

The first economies of public warehouses were so plain that no one questioned them. The great demand was for warehouse space in the great market centers. Today, however, capacity of warehouses is rather in excess of current demand, it being, for many cities, so much in excess that fears of overbuilding have come into the industry. Not only that. Many reasons exist, among manufacturers, for preferring to upset what is, at first sight, the obvious method of distribution. They prefer to erect and maintain private warehouses.

Company pride is undoubtedly a factor in this matter. Branch managers' pride is even more weighty. Company policy, at times, commands that everything shall be done to maintain individuality, to advertise the company's name, to render special forms of delivery and repair service, "to do as much and just a bit more" than any competitor—all of which motives are not to be overlooked in determining agency storing methods.

A manufacturer depends absolutely on sales. Sales volume, sales fluctuations and sales psychology control the factory. It is for this reason that the factory management, in mapping out a year's program or a quarter's quota, makes its beginning by estimating the probable sales and then works backward from that point to a plant schedule. The factory management, accordingly, shapes every policy from the sales viewpoint. Hence it is that

a branch manager's pride, or even his mistaken ideas of the market, may dictate to the factory a procedure contrary to manufacturing principles.

Public storing is growing. Private storing is growing. Every month important corporations quit public for private, while others of equal importance reverse the process. From this situation, it is impossible to declare that either one is best for all. The facts are exactly the opposite of that belief, and we must confess that, as with many other things in business, neither method is the final word for all manufacturers. It is equally true that many concerns could easily cut their costs of distribution by changing from private to public, while many others could profit by the reverse action.

It has been, as a single illustration, my own experience that a study of warehousing for manufacturers sometimes shows results that surprise even the one who makes the study. Within five or six years it has been my personal task to advise, sometimes informally but more often after careful study, manufacturers as to a warehousing policy; and, in reviewing my own recommendations, it develops that of 27 cases, 11 were advised to change from private to public, 6 from public to private, 3 to continue private storages and 7 to continue as clients of public warehouses. Of the 27 cases, 26 finally acted in conformity with my recommendation, although it is not, of course, my belief that they acted solely upon that recommendation.

## Both Methods Cut Costs

**M**ANY of the benefits of warehousing are available to both methods alike.

The savings of carload freight movement illustrate this. It is not necessary for a carload shipment, nor a pool car, for that matter, to go through a public warehouse in order to achieve the reduced freight rate. A spot stock, too, serves the market quite as well from a private storage as from a public warehouse; private trucking costs the same in either case; insurance on the goods often does not differ greatly; property taxes should be, theoretically at least, the same for both storages; quick handling to start the shipment on its way is apt to be about the same.

And yet a committee report of the Chamber of Commerce of the United States is of the opinion that "merchandise warehouses do more than simply store goods." It also declares:

"Some manufacturers have a large enough volume of business to *afford* branch houses with storage facilities in different parts of the country. But the great majority of manufacturers can not afford this *luxury*. At the same time, even if they distribute through jobbers, it may be necessary for them to have stocks of goods available in different parts of the country, so that jobbers and retailers can be supplied quickly." (The italics are mine, not the committee's.)

The two italicized words, in this paragraph, pretty clearly define the problem. If a company's business is such that it can *afford* private storing, or if the

product is such that considerable manipulation or sorting or special service is needed before delivery, private storing is the proper thing. Otherwise private storing becomes a *luxury*, and, as such, has no place in competitive business.

Much of our business is hampered by tradition, customs and habits. Manufacturers seem reluctant to break away from established habits. No one is warranted, therefore, in expecting that any concern will flop from either method to the other on a flash-in-the-pan sort of decision. To change from private storing to public involves a number of legal questions in several of the States. Always the corporation must arrange to close out its leases or sell owned property; it faces the inevitable costs of moving stock, disposing of fixtures, caring for employees, advising all trade connections, assuring that salesmen make all customers understand the purpose so as to prevent competitors from talking down the change.

If, on the other hand, a change is made from public warehousing to private a corresponding number of steps are encountered, aimed in the other direction.

Of the 27 manufacturers, already mentioned, of whom a change was recommended to 17—11 from private to public and six from public to private—not one expected to complete the change in less than a year, while three of them laid out their schedule for four years ahead. The single manufacturer who finally acted contrary to the recommendation also changed from private storing to

public (recommended to remain private), with more than 40 private storages to close out. He plans to require three years to complete the change. Thus slow is the process of upsetting a business custom.

It is one thing for a board of directors or an executive to give a decision that "We're done with it: it's too expensive." But the change thus inaugurated and thus set in motion does not follow through with the setting of that evening's sun.

Yet manufacturers do change. The Buick Company required three years to get into complete working a recommendation of shop economies, chiefly through elimination of unproductive labor and installing mechanical devices to carry materials from one department to another, but when finally completed the changes saved them nearly \$4,000,000 a year and enabled them to turn out 100 more cars per day with 5000 fewer men on the payrolls. Before the change had been completed, further changes had been determined upon for carrying the same process even further.

A Massachusetts maker of rubber goods whose identity must be protected, determined in 1924 to change from private storing to public warehouses in 18 centers. In the first nineteen months, to the end of 1925, only three of the changes had been accomplished; by the close of 1926, 12 more had come; the others having been brought about since the first of 1927. The original recommendation to this manufacturer indicated



## Public Warehousing and Economic Distribution

an annual saving of \$24,000, but even with that bait dangling ahead it was still advisable to change slowly.

The estimated savings have been more than justified, but nonetheless it was not practicable to make sudden announcement of the change. More than a year of preliminary work was found advisable before the first change was actually made, but that year taught them how to go about later changes.

### Analysis of Costs

**C**OST accounting has compelled manufacturers to face the question: "Public or private?" After discarding all the savings that come from both types of storing spot stocks there remain several items of cost that may show better results from one type than from the other. Chief of these are:

1. Cost of storage space. With the public warehouse this is known from the quotation. With private storage, this item is composed of rent (or interest and depreciation on owned property), heat, light, upkeep and repairs.

2. Handling of goods. With the public, this is covered in the handling charges, etc.; with the private, it is the total of payroll, supplies, etc. Also must be considered the matter of breakage and shortages, which, with the public warehouse, cost the manufacturer nothing because the warehouse is liable, but which, with private storing, become an item of expense.

3. Insurance. The rate may vary. Of 27 corporations, with whose costs it has been possible to get complete information, covering more than 600 storages (some public, some private) extending from coast to coast, the insurance rate on stored merchandise was lower in 92 per cent of the storages with the public warehouse. In each case the comparison was with rates now being paid (whether in public or private) with quoted rates for another location (whether public or private) that was under contemplation.

4. Taxes. Theoretically, local property taxes should be the same. The law presumes that the owner will make "return" of all merchandise within the State on tax day. In a few States (as Wisconsin and New Jersey) the warehousing of goods from outside the State is encouraged by relieving such goods from local taxes, and, in isolated instances, there are other tax peculiarities of this sort. The truthfulness of tax returns in business is well known. It is safe to assert that no corporation makes return of too much value.

In theory, as we have said, the property tax should be the same for goods lodged in private storage as for the same values in public warehouses. In practice, this does not prove to be the case.

Possibly the explanation for the dis-

crepancy lies in this: no tax assessor and no board of tax equalization can miss seeing the private storage of an out-of-State manufacturer. Private storerooms occupy down-town locations that cannot possibly escape the tax levy. Nor is it easy to return "just a nominal valuation" where a corporation occupies a three-story building as a branch office and storeroom.

### State Laws Differ

**W**ITH storing in public warehouses, on the contrary, the stock of goods is far less conspicuous. If the board of review and equalization wishes to verify the return it is first necessary to get

### A Suggestion to the Warehouseman

**I**T will repay public storage executives to place these articles by Mr. Haring in the hands of shippers who comprise the present patrons and potential customers of the warehouses.

At only nominal cost reprints are available for distribution to shippers on your list. A line to the business manager, A. K. Murray, will bring you details as to the prices.

Many of your competitors are building business in just that way with these reprinted Haring texts.

into the public warehouse—a thing not easy to accomplish, especially if the warehouseman suspects the purpose—and, after gaining entrance, only the warehouse records will show what was in store on "tax day": what is found a month later is no evidence of what was there at another date.

Many States have statutes of this sort:

"All persons engaged in the business of storing or keeping merchandise in storage warehouses shall, within ten days after a request therefor by the assessor of the town . . . permit such assessors to copy from their records a list of the names and addresses of all persons who appear, on April first of such year, to have any such property stored or kept in any such warehouse."

That is from the Massachusetts statutes. Note that the assessor is given only the names of owners of goods. The law does not require a record of the quantities in store. Other States, however, do demand complete reports by the warehouseman. Such wordings as the following are to be found:

"Every owner, keeper or person in charge of any and every storage house,

warehouse . . . shall assist the county assessor . . . to list all such goods, wares and merchandise held, stored or kept by him.

Such are the regulations in New Hampshire, but many States follow the same ideas in their law. At the present time Texas warehousemen are fighting the assessors of their State who are trying to enforce a similar law.

Despite such rigid laws, as all storers of goods know, stocks in public warehouses in State after State escape local taxes altogether. The assessors' rolls are easy to elude for goods hidden behind the walls of a public warehouse. It is, nevertheless, the habit of careful corporations not to allow this to happen. Under the advice of their attorneys, such corporations elect to file voluntary returns for taxation, the idea being that by thus complying with the law—even though enforcement is doubtful—and by paying a tax, the corporation protects itself against a future assessment for arrears, with penalties.

Corporations which thus voluntarily make out returns for their goods in public store find that a return of nominal quantities and nominal values seems to satisfy the taxing departments.

Of the 27 investigations already mentioned, in 21 instances this matter of local property taxes was studied sufficiently to give helpful light on our question. These 21 concerns had in storage—private and public—508 stocks of goods. The inventory value of these stocks, as shown on the manufacturers' books, was \$18,240,000—these values being those on "tax day" in each State, whenever that "tax day" came up on the calendar. It was estimated that normal, average values of merchandise in store, for the same concerns, would be close to \$30,000,000.

The low valuations on "tax day" were the result, as one would anticipate, of shifting stocks against that date. One of the corporations—the one of highest values—follows an elaborate method of thus shifting stocks, with the result that their values, as of "tax day," are \$6,000,000 less than normal average warehouse totals.

Of the \$18,240,000—the total actual value on "tax day"—roughly \$14,640,000 was stored in private storages and about \$3,600,000 in public warehouses. The total of the tax returns, upon which valuation taxes were finally assessed, for the stocks in private storage, was \$5,543,600. This is approximately 38 per cent of actual value. The similar totals for stocks in public store were \$149,300, which is approximately 4 per cent of actual values.

During the past three months, in anticipation of writing this article, by interviews and by correspondence it has been possible to check the facts as to

## Public Warehousing and Economic Distribution

local property taxes with about three-fourths of the original 27 corporations. Without a single exception, so far as it is possible to ascertain from company officials, those that have shifted from private storing to public have enjoyed lower taxes on their stocks, whereas those who have shifted from public to private storing have suffered higher taxes.

Taxes—that is local property taxes—are not a large percentage in the cost of marketing goods, although they are the occasion of much complaint. However small in percentage, the burden is yet a real one and any concern that can reduce its tax payments is just that much to the good. It is, clearly, true that while theoretically the tax on goods in store should be the same in private as in public warehouses, yet in practice the assessments are lighter in public warehouses.

### Predetermined Costs

**E**ACH of these four major items of expense in warehousing goods, at a distance from the manufacturing plant, has its influence on the cost of marketing the goods.

Cost accounting asks, "What does each item total?" Budgeting, which has become so vital in control methods, goes further by asking, "What will each item cost?"—for any budgeting schedule sets up the expense account in advance, by a year and by months within that year, and then every department is compelled to live within its allowance.

The one biggest uncertainty with private branch storing is this: "Will our volume through the branch storehouse be level or jumpy?"

If it is fairly even throughout the 12 months, the answer is simple. But, on the contrary, if four months show 60 per cent of the year's total and four other months show 30 per cent and the remaining four only 10 per cent, the answer is not so plain. Any one of the accepted accounting methods for apportioning overhead against units of sale, in this second example, will scare the manufacturer.

Too often, perhaps, manufacturers think of a warehouse or a storehouse as a place to store goods. The last thing any manufacturer wants to do is to store anything: he wants to dispose of it, knowing that the profits come only when a sale is made. It is only when such a manufacturer comes to see the things a warehouse does beyond sheer storing of the goods that he can understand the "why" of all the warehouse expenses. Those expenses are a necessary part of the cost of selling and delivering.

One corporation, whose name is nationally a household word, estimates that agency storage and handling should cost 75 cents on each \$100 of goods sold.

For 1925 the company's year's average was 2 cents less than that amount. When, however, some one in the auditing department broke down the year into months it appeared that for three months the average was under 20 cents per \$100 of sales; for one month it was \$4.20, and for three others more than \$2.

Naturally the bulk of the year's business came in the 20 cent months. The corporation spent probably \$12,000, during 1926, to discover how to cut down the high-cost months' showing. They apparently found the right answer, for they report that for the first half of 1927 (which includes all the previous high-cost months) their average "is a trifle over \$1, and we expect to make the year's average drop to 50 cents or better."

This procedure is quite unlike that of the ordinary concern that waits till the close of the year to find its costs. By budgeting expenses, and compelling every department to stick to the budget, the corporation forces itself to predetermine costs.

Into such a program the public warehouse fits nicely. For the public warehouse, like the railroad and the insurance company, renders its charges on a unit basis. More than that, this basis is predetermined by the nature of the warehouse contract, which embodies a specific quotation for storing, for handling, for each item of its services. The uncertain elements of losses and breakages are the warehouseman's concern—they are included in the rate for the reason that the warehouseman is liable for such damage as he may do to the goods.

A private storeroom cannot possibly predetermine costs with this same accuracy, except for concerns whose volume is large and fairly well distributed over the year. The whole effect of warehouse quotations is to conform costs, both quoted and billed, to the very units that figure in the cost accounting of the same goods in the factory and in the sales. Merchandise is sold on a unit basis, the unit differing with the merchandise. The public warehouse makes its rates on the same basis, known to the owner in advance.

Furthermore, the public warehouse offers flexibility, as private storing does not. Public warehouse services, and with them costs per unit, may be expanded or contracted at will. With private storing, buildings and floor space, either leased or owned, are largely inelastic. Payroll and upkeep, as other overhead, swell the cost per unit in private storing unless the volume is large and the business well distributed over the twelve months.

The causes are well known. The public warehouse is able to offset the space, and the services, required by one depositor with the demands of another. This is

exactly what private storing is able to do if the volume is large and properly spread out, offsetting one product by another, or one trade outlet against others whose "seasons" are different.

### "The Big Accounts"

**"E**VERY time we get an account worked up into a big one, we lose it!"—how many times one hears that complaint from a warehouseman. The big accounts change from public storing to private.

A chain store enters a city with two or three locations. Some public warehouse is elated by closing a contract for the account. As locations for retail outlets increase, the warehouse's volume goes up; then, about the time the chain is using a whole floor and two warehouse office employees are giving their entire time to the account, the chain builds a place for itself.

When one of the mail order houses was building in Baltimore, some years ago, the Baltimore warehouses were stuffed with its merchandise. It rolled in in trainloads. With completion of the mail order buildings, gradual let-down developed; new goods did not come into the warehouses to displace withdrawals from store.

The identical thing occurred in Dallas, and is happening in Los Angeles at the present time.

It matters not whether it be Montgomery-Ward or Sears-Roebuck; and a similar movement accompanies the building of a new Ford assembly plant or one for Chevrolet.

Department stores and grocery jobbers, as they grow, find their storages inadequate. They turn to local warehouses for surplus housing of their stocks, but, finally, come the days when the surpluses warrant another private warehouse. Some public warehouseman, at that time, faces empty bays and idle trucks, with handling revenue cut in half almost without notice.

The movement is familiar.

The causes lie in the comparison of costs of public versus private storing.

Whenever a manufacturer, or a distributor, using public storages develops a large volume at one center, and if that volume is reasonably spread over the year, every temptation comes to establish a private storage. If the quantity of goods is sufficient to support a warehouse organization, with proper distribution of peaks and valleys, the manufacturer can probably do for himself as cheaply as a warehouseman can afford to serve.

To know when this time comes is not always so simple as one would expect.

Corporations with huge earnings, and large surpluses, have a tendency to invest in land and buildings with a view to

(Concluded on page 39)

# Increased Warehouse Construction. Is It Economically Sound?

A Reply to H. A. Haring's Article in the July Issue  
of DISTRIBUTION AND WAREHOUSING

By WILSON V. LITTLE

Executive Secretary, Merchandise Division, American Warehousemen's Association

WE presume that most of our members have read the very stimulating article in the July issue of *Distribution and Warehousing* by Mr. H. A. Haring on "Increased Warehouse Construction. Is It Economically Sound?" We hazard this conjecture because of the comment that the article has given rise to and that has reached Division headquarters from our members. This comment is generally in adverse criticism of the conclusion to which Mr. Haring comes that the promotion and construction of these numerous and great terminals "is the most encouraging sign of the times for warehousing, from the standpoint equally of the warehouseman and of all warehouse patrons." Mr. Haring rather expects that exception will be taken to this conclusion presumably by warehousemen who let their own immediate interests "becloud an important business cycle," but he avers that "leaders among warehousemen," "the aggressive and forward-looking men in the industry are lending their names and staking their reputations on the platform that 'This country needs more warehouses.'"

We do not know Mr. Haring's authority for saying that "leaders" in our industry claim we need more warehouses or that they are identifying themselves with these large terminal projects being promoted. We do know that practically all warehousemen who have held official positions in the American Warehousemen's Association during the past few years and who have expressed their opinion with regard to these terminal projects are not at all sympathetic with Mr. Haring's viewpoint.

And when we speak of "these terminal projects" we refer not to the occasional new warehouses being financed and constructed here and there by warehousemen thoroughly familiar with the needs of their respective localities. By "these terminal projects" we mean those massive plants that have, as Mr. Haring states, "originated outside the industry," "in the office of some construction engineer" and among investment bankers "allied with them," plants that are admittedly projected primarily for the profits that will accrue not after they are in operation but while the bonds are being floated and the buildings are being

put up. In any comment that we make we refer to those projects (and we believe Mr. Haring does, too) that the bond advertisements say will produce earnings to the stockholders far in excess of what any practical operating warehouseman knows to be possible.

Let us examine some of the premises upon which the conclusion is based that "Taken all in all, these terminals are the

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**F**EW articles have aroused greater interest in the public storage industry than the one by H. A. Haring, contributing editor, on "Increased Warehouse Construction. Is It Economically Sound?" in the July issue of *Distribution and Warehousing*.

Many letters, some in praise, others critical, have been received by Mr. Haring and by *Distribution and Warehousing*.

A carefully-prepared and intelligent answer, written by Wilson V. Little, executive secretary of the merchandise division of the American Warehousemen's Association, appeared in a subsequent issue of *The Merchandise Warehouseman*, the association's official organ, and, as there are always "two sides to a story," Mr. Wilson's text is published herewith.

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most encouraging feature of merchandise and cold storage warehousing of today."

We are told that we are passing through a "business cycle" characterized by over-production in every line and that it is to be expected that the warehousing industry will be over-built also, in accord with the trend of the times, and that this over-building in the warehousing business will, from the viewpoint of economics, be a good thing for warehousemen in the future, if not now. We scarcely believe that any economist will attempt to persuade the canners that their present over-production is a good thing for them other than that they

ought to learn their lesson now and keep their output in the future more commensurate with market demand. When the price of wheat or cotton goes down and down because of bumper crops and the farmer sees his profits dwindle and a year's effort lost, does he say, "Isn't business good? And isn't this over-production a great thing for the farmer's present and future prosperity!?" No, he tries to get another mortgage on his farm. Over-production may be a fact and somewhat inescapable, but of itself and as a fact it bodes no good for the present or the future of any industry that we know of. Certainly in the warehousing industry over-building in any locality tends to disorganize approved trade practices and creates a situation within the business as conducted there that it takes years to recover from. If such a situation is "economically sound," the warehousing industry can have little faith in applied economics.

"The new terminal projects, with their sanguine estimates of earnings, look to the future," says Mr. Haring. "They indicate faith in the future of warehousing. Our railroad systems were built by men who had faith in the future of America. Their present wealth justifies that faith." We do not think that faith in the future of warehousing needs to be expressed in an over-production of warehouse space now. Those men who have been engaged for years in making their livelihood in the industry have just as much faith and vision regarding the future of the warehousing business as has anyone outside it, and it is probable that their judgment in this connection is just as accurate as can be the judgment of engineers and bankers whose primary interest is in the construction and financing of these terminal projects, and not in the operation of them. These warehousemen believe that over-development of warehousing facilities is not essential to the prosperity of the warehousing industry either now or in the future. They believe that as the need appears for more facilities, that need can and will be met in an orderly and thoroughly adequate manner by the industry itself, or by those "outside." Unless we have another world war with its sudden, tremendous and abnormal requirements, it is hard to



conceive that any locality is going to suffer from a lack of public warehousing facilities. It should not be intimated, therefore, that warehousemen lack faith in the future of their industry because they desire its expansion to be conducted along safe and well-ordered lines.

#### *"In Spite of, Not Because"*

We are reminded by Mr. Haring that the railroads fell into troublous times and that "it is not to be expected that all these terminal warehouse projects will escape receiverships." We are reminded also of the "present wealth" of the railroads. What economist preaches that the wildcat speculations and private losses that characterized the early history of the railroads were a contributing cause to their present wealth? Whatever the railroads are today is in spite of, not because of, their tempestuous origins; and it was not until they were placed under the control of the Interstate Commerce Commission and the consequent elimination of destructive competitive practices and unsound financing that railroads began to make much headway as a field for profitable investment. We contend that it is not necessary that the warehousing industry should repeat the experience of the railroads in order to arrive at prosperity in the future; in fact, we should profit by that experience and seek to avoid it. The promotion of terminal projects admittedly doomed to egregious failures is not "economically sound."

We are rather intrigued by Mr. Haring's statement that many of these terminals will be successful because of the "engineering skill" and "banking viewpoint" that are to be brought to warehouse management through the interests that construction engineers and investment bankers are going to have in these ventures. The inference is that these men have some innate or acquired qualifications for producing warehouse earnings that warehousemen themselves do not possess. And the railroads, too,—they will see that these terminals pay their way in which they, the railroads, have an interest! Well, the earnings of these terminals are going to be determined largely by the current rates procured by existing warehouses for similar services rendered. Competitive conditions will tend to prevent any engineering skill and banker viewpoint from achieving revenues necessary to make these terminal projects paying investments as public warehouses, not to speak of the attractive revenues that are practically promised in the advertisements that have appeared in the sale of the bonds. We know what the going rates are for public warehouse service in cities where these terminals have been projected, and we know that they are not based on any such cost factors as enter into the financing and construction of these terminals. We know that these terminals are not going to corral *all* of the business of existing warehouses just because they are new, nor will they disturb the long-standing arrangements of *all* the

manufacturers and others doing business with the established warehousemen. They will have to slash prices to get competitive business, notwithstanding the assertion "With banker-directors, however, the price-slashing comes to early grief." Engineers and bankers have their respective fields of usefulness, but warehouse operation is not one of them if we judge from the cases of one or two of these promoted terminals in recent years that have promised investors fabulous earnings and have had to be reorganized to the embarrassment of the promoters and bankers who conceived them.

No, merely because we happen to be in a "business cycle" of over-production, when supply in all lines greatly exceeds demand, we cannot say that for the warehousing industry it is "economically sound" to build these great terminals primarily planned to give engineers good-sized construction jobs and to afford investment bankers opportunities to float large bond issues. It is not "economically sound" for the warehousing industry to have to go through an era of ill-advised construction just because there is an abundance of cheap money available, an era such as gave rise in the old days to railroad projects hundreds of which died a-borning and took with them to the grave the life-long accumulations of thousands of small investors.

#### *"Will They Pay Dividends?"*

The test of the economical soundness of these terminals that we are speaking about is not that they present an imposing spectacle in themselves, impressive monuments as they might be to the importance of the warehousing industry in our commercial fabric. As regards the warehousing industry the test of their economical soundness is: Will they fulfill the promises made to those whose money built them; will they pay dividends to their stockholders; will they in any way contribute to the material prosperity of the warehousing industry as a whole?

We feel that these terminals cannot pass this test. They are at the outset burdened with promotion, investment, and operating costs that are unusual for warehousemen and that are not contemplated in current warehousing rate structures. Since they constitute an over-supply of warehouse space, it will be years before they acquire a profitable occupancy at obtainable warehousing rates. In the meantime, their mere existence and the methods that their operators will be forced to adopt in their frantic efforts to procure competitive business will tend to disorganize the warehousing industry in their respective localities. From the viewpoint of warehousemen generally, therefore, we contend that the unnecessary promotion and construction of these terminals at this time is not in accord with sound economic principles, but is in defiance of them.

In this article of Mr. Haring, as is usual in his writings on warehousing, he presents an inspiring picture of the

future of the warehousing industry, indicative of a faith in which warehousemen are glad to participate. It must be remembered, however, that it is warehousemen who have made the industry what it is today in all its varied phases of usefulness and service. It is felt that warehousemen can be depended upon to guide and shape its future. When more warehouses are needed to supply a demand that warehousemen can and will create and when it is profitable to do so, warehousemen can and will supply that demand. Such is the kind of development that we believe is "economically sound." It is because these terminals that we speak of contravene the basic economic law of supply and demand, and ignore cost factors and rating practices familiar to every warehouse operator that we cannot agree with Mr. Haring's thesis that "these terminals are the most encouraging feature of merchandise and cold storage warehousing of today."

#### *Air Express Service*

Two-day air express service between New York and San Francisco was scheduled to be started on Sept. 1 by the American Railway Express, according to announcement made in San Francisco in August by Robert K. Cowle, president of the express company.

Packages deposited with the express company in New York or San Francisco would arrive at the opposite terminus on the morning of the second day.

Los Angeles and Dallas also are to have a two-day air service.

"The express company's contracts," according to Mr. Cowle, "are with the National Air Transport Co. from New York to Chicago to Dallas; with the Boeing Air Transport from Chicago to San Francisco by way of Salt Lake City; and with the Western Air Express from Salt Lake City to Los Angeles on the southern route."

#### *Truck Companies Merge*

E. W. Bassick of Bridgeport, Conn., and associates, controlling the Relay Motors Corp. of Wabash, Ind., announced in Detroit on July 29 the acquisition of the Garford Truck Co. of Lima, Ohio.

The Relay Motors Corp. recently absorbed the Commerce Truck Co. of Ypsilanti, Mich., and Service Motors, Inc., of Wabash, Ind.

The merger is said to represent one of the largest in recent years in the motor truck industry, the assets of the combined companies approximating \$10,000,000.

#### *Mrs. Wilson Passes*

Mrs. H. E. S. Wilson, wife of president of Campbell Stores, Inc., Hoboken, N. J., died in June.

# "Freightainer" Carries Goods Direct from Shipper to Consignee's Door

## *Something About a Transportation Service of the Boston & Maine Railroad*

**"FREIGHTAINER"** service is a transportation facility now being offered to the shipping public for the complete movement of freight all the way from the shipper's door to the door of the consignee. The first operation of this new facility has been pioneered by the Freight Container Service Co., operating over the rails of the Boston & Maine Railroad, between Boston, Worcester and Springfield. The movement is now averaging about 125 tons daily.

Empty steel containers capable of carrying up to five tons each are brought by motor trucks to the shipper's door. Here they may be loaded as in any other truck, or the Freightainer may be rolled off the truck chassis and

taken on its own casters to any part of the shipper's building to be loaded, locked and sealed.

The loaded Freightainers are taken by motor truck to the railroad freight station, where they are rolled off the truck onto the freight house platform, and from the platform onto a flat car which is dispatched to the destination city.

At destination the loaded Freightainers are taken from the car by motor trucks directly to the door of the consignee, where they may be unloaded as are other motor trucks, or the Freightainers may be rolled on their own casters to any convenient part of the consignee's plant for unloading.

**T**HIS service is declared to supply a long felt demand on the part of the shipping public for a cheaper, quicker, safer and more convenient form of freight transportation. According to a spokesman for the Freightainer company:

"It is cheaper than 'over the road' trucking because the line haul on the railroad costs, per ton, only a small fractional part of the truck cost per ton, and the terminal pick-up delivery is also cheaper by Freightainer because the chassis need not be kept waiting for loading or unloading.

"It is cheaper than ordinary L. C. L. freight because the enormous terminal costs and loss and damage claims of the railroads are eliminated by moving the freight in the Freightainers directly from car to truck or truck to car without rehandling.

"It is quicker than L. C. L. freight because sorting, rehandling and transfer delays are entirely eliminated. It is just as quick as any form of transportation can possibly be, because with overnight service the Freightainers are on the trucks ready for delivery before the consignees' places of business are open in the morning in the destination city.

"The safety is evident, as the freight travels all the way in locked and sealed waterproof steel containers.

"It extends the convenience and freedom from packing expense of the over-the-road truck, into any remote part of the factory or warehouse of the shipper or consignee, by simply rolling the Freightainer on its own casters to any convenient place for loading or unloading.

"It is much more convenient than

ordinary L. C. L. freight, where the shipper must hire a drayman for pick-up, the consignee must hire a drayman for delivery and the responsibility for safe arrival of the goods is divided between the two draymen and the railroad. Freightainer service takes the goods from the hands of the shipper and puts them into the hands of the consignee, with one price covering the complete movement.

"The shippers are extremely anxious



2½-ton G. M. C. chassis with one "Freightainer"

to get this service, and no trouble is experienced in soliciting. A single Freightainer load of shoes, where the shoes are loaded at the end of the production line in the factory, and unloaded at the shelves in the shoe department of a department store, may save as much as \$50 in wooden packing boxes, and from 4 to 14 handlings of the shoes. Pilferings and other loss and damage are avoided, the shipment is expedited, the rates are lower, and yet the railroad and truck company both make more net profit."

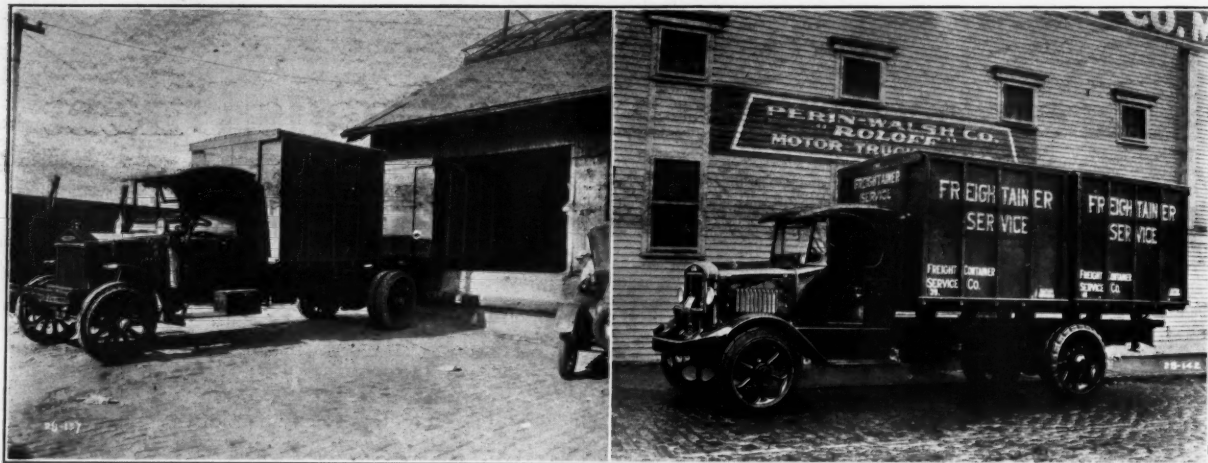
### *The Equipment*

**T**HE success of the system of course tends primarily on providing a unit container of such mechanical design that it can be quickly and easily transferred between truck and railroad or boat, and one that can easily be rolled about on platform or floors in the smallest possible space with the least effort.

In the design of such equipment several major problems arise. These problems are claimed to have been successfully solved by the engineers of the Perin-Walsh Co., Boston; and the registered trade-marks "Roloff" and "Freightainer" are used to describe the finished product.

The first problem is in the Freightainer itself, which must be as large as possible and at the same time flexible and easy to handle. The dimensions are 8 feet long and 7 feet wide outside, and 6 feet high inside. They carry an average load of 3½ tons, but frequently are loaded with 5 or 6 tons if the merchandise is heavy, such as canned goods or castings.

The body part of the Freightainer is made of wood and steel construction. There are double sliding doors provided on both ends of each Freightainer so that when two Freightainers are on a motor truck chassis, one behind the other, the rear Freightainer may be unloaded and, by opening the front doors of the rear one and the rear doors of the front one, the contents of the front Freightainer may be unloaded through the rear one. The doors are hung on ball-bearing Richards-Wilcox elevator door hangers. When closed, they are locked by a special flush type lock which draws them to-



Left—Unloading "Freightainer" onto platform from a 5-ton Pierce-Arrow chassis. Right—A 5-ton G. M. C. chassis with two "Freightainers"

gether and into interlocking angle irons, making them weather-proof. These locks may be operated from either the inside or the outside of the Freightainers.

The running gear of each Freightainer consists of four specially designed locking swivel casters mounted on a special frame which carries locking devices for locking the Freightainers onto a flat car or onto a motor truck chassis. The body of the Freightainer is rigidly bolted to this frame.

In order to guide the Freightainer and steer it into any desired position on a platform or warehouse floor it is necessary that the two wheels opposite to the end from which it is being pushed or pulled must be rigidly locked against swivelling, parallel with sides of the Freightainer, while the two casters adjacent to the side from which it is being pushed or pulled must swivel freely; otherwise, if all four casters were freely swiveling, the Freightainer would roll all over the platform uncontrolled.

It might seem that this result could be accomplished by having permanently

rigid wheels at one end and ordinary swivel casters at the other end, but in narrow freight houses or congested warehouse floors it is frequently necessary to be able to guide the Freightainer from different ends at different times. In addition to this it is necessary, whenever the Freightainer is on a motor truck or railroad car, rigidly to lock all of the wheels against swivelling to prevent lost movement of the Freightainer body while it is in transit on the car or truck.

#### Automatic Locks

These results are, it is stated, satisfactorily accomplished by the patented locking swivel casters, which not only automatically lock in the desired positions, but are also so designed with six sets of Timken roller bearings and double wheel differential action so that the Freightainer rolls about on a platform very easily even under 5-ton loads.

Another problem which arises is the design of suitable locking equipment to

hold the Freightainer on the motor trucks and railroad flat cars. On the motor trucks the locks must be so arranged that the front Freightainer can pass through the locks on the chassis that hold the rear Freightainer, and on the flat cars the locks must be so arranged that the Freightainer may be put onto the flat car from either side and automatically be prevented from rolling off of the flat car on the other side, and yet it must be possible to unload the Freightainer from the other side if, when the flat car reached its destination city, the freight house happens to be on that side of the railroad track.

In addition to those requirements, the locks must be strong enough and so designed that they will rigidly clamp the Freightainer to either the car or the truck without any lost motion whatsoever.

That the Freightainer locking devices have successfully met all these requirements has been proved by ten months' continuous use under heavy loads, it is declared.



Left—Showing one "Freightainer" in position and another being loaded onto a railroad car; note tracks and latches. Right—String of Boston & Maine freight cars laden with "Freightainers"



#### Chassis Vary in Size

SEVERAL different makes and sizes of truck chassis are employed in this service, handling the same size standard Freightainer. This is made possible by equipping each truck with a standard "Roloff" sub-frame and leveling blocks. The sub-frame carries enough channel tracks of standard gage to fit the Freightainer wheels and locks to fit the Freightainer locks, and may be mounted on any chassis regardless of the width of the frame.

The leveling blocks consist of a pair of wedges mounted on the platform and a pair of V's mounted on the rear of the chassis. When a truck backs into these wedges the chassis is automatically lifted or lowered until the track on the

sub-frame is exactly level with the platform, regardless of whether the truck is loaded or empty. No tracks are used on the platforms, but flared angle guides steer the Freightainer into proper position at the wedge-blocks for rolling onto a chassis. At the shippers' platforms, where no wedges are installed, hinged skids are slipped into the sockets at the ends of the sub-frame tracks and automatically take care of any variation in chassis height.

The Freightainer service is primarily designed to handle the class of freight that is now being handled by so called inter-city, or long distance, motor trucks. It provides the railroads with the only means so far devised that can get this class of business off the highways and back onto the rails, because, with a

fair rate from the railroad, which will allow a substantial profit to the railroad, the over-the-road truckman can afford to utilize the railroad for the line haul and make substantial savings over his old costs.

It is predicted that this business is bound to prove profitable to the railroads, especially on the basis of car earnings, because the cars move 300 days in the year, as against an average of 50 to 60 days that ordinary freight cars move per year, and the average lading is several times as heavy as that of the ordinary L.C.L. box car. The railroad is also free from all loss and damage claims, except those directly due to wrecks, and the railroad is also free from all expense in connection with soliciting and freight house operation.

### Three-Ton Vehicle for Warehouse Work Produced by Indiana Corporation. Other New Models Announced

DESIGNED especially for the moving, transfer and warehousing industry, and primarily for jobs requiring extra frame length or loading space, a new 3-ton speed truck (Model 627, illustrated herewith) is announced by the Indiana Truck Corporation, Marion, Ind.

"The 6-cylinder engine gives smoother power and a greater range of speed, as well as permitting higher speed," according to an announcement by the company. "Wherever the user's requirements are long hauls, with few stops, this chassis fits ideally—it combines fine appearance with solid ruggedness and speed."

The body allowance is 2000 pounds, total maximum load 8000 pounds, and chassis weight 6500 pounds. The wheelbase lengths are 168½ inches standard and 216¾ extra. Loading space dimensions are: length back of seat, 11 feet 6 inches standard, 15 feet extra; length from seat to center of rear axle, 6 feet 11 inches standard, 10 feet 11 inches extra; width of frame, 33 inches.

Tires are pneumatic cord, 32 by 6 front, 38 by 9 single rear. Wheels, front and rear, of metal, spoke type. Brakes are double internal expanding on rear

brake drums. Control is left hand drive, with gear shifting and emergency brake levers in center. Spark and throttle are controlled by hand levers on top of steering wheel. There is an improved foot accelerator.

#### Other New Models

Two new truck models, both 6-cylinder fast bus-van chassis especially designed for moving van and long distance hauling, have been added to the line manufactured by the Clinton Motors Corp., Reading, Pa. One, Model 85-6, is powered with a 4 by 5½ inch 6-cylinder engine. Wheels are van metal, 20 inches in diameter, fitted with 37 by 7 inch pneumatics front and same size dual rear. Wheel base is optional to accommodate a maximum body length of 16 feet. Maximum speed is 40 m.p.h. The other, Model 55-6, is similar in design but slightly smaller. The engine is 6-cylinder 3¾ by 5 inches and develops 60 hp. Tires are 32 by 6 inches pneumatic front and dual rear. The standard wheel base is 168 inches to accommodate an 11-foot body but a wheelbase to ac-

commodate a 13½-foot body can be supplied. Chassis weight, 5200 pounds.

The Federal Motor Truck Co., Detroit, has put on the market a new 2-ton truck, Model T2, with standard 143-inch wheelbase, with optional wheelbases of 158 and 168 inches available, together with a tractor design with a wheelbase of 132 inches. The price of the standard bevel gear T2 model is \$1850 and of the worm-driven T2 model \$2000.

The Reo Motor Car Co., Lansing, Mich., is producing a new "Speed Wagon Junior" with a 114-inch wheelbase. A loading space of 93 cubic feet is provided in the fully inclosed panel body.

#### Atlanta's Advertising

The value of the industrial trade press as an advertising medium is adequately evidenced in a report by the industrial bureau of the Atlanta Chamber of Commerce setting forth results obtained in the national advertising campaign to attract new industries to the Georgia City. *Distribution and Warehousing* is among the business journals in which this advertising has been appearing.

The report of the bureau shows that during the first half of 1927 there were 73 new companies located in Atlanta, while the number of inquiries on hand from other concerns indicates a better record in the last half.

In 1926 a similar campaign was conducted on a much smaller scale, 148 new companies locating in Atlanta during that year. This resulted in the subscribing of a fund of \$1,000,000 by leading Atlanta business houses for a larger campaign to run during 1927, 1928 and 1929, in which trade papers are the principal medium being used.

#### Wiggin-Luckenbach Plan

The Wiggin Terminals, Inc., Boston, recently completed arrangements with the Luckenbach Steamship Co. for all freight brought to Boston by the company's vessels to be received at the terminal's docks.



Three-ton speed truck for moving, warehousing and transferring—new model of Indiana Truck Corporation

H. A. Haring's

# New Business for Warehouses

XXII

## Building Mailing Lists for Direct Mail Solicitation

THE demand for business promotion comes up for discussion every time a group of warehousemen has a bit of serious talk. It makes no difference whether the individuals be interested in dry storage, cold storage or furniture, the problem is always the same—the need for advertising warehousing. Warehousemen are agreed that the industry needs some association advertising, some education of the business world to the economies of the warehouse; but there always comes the “But . . .”

The obstacle is the very simple one that financial support for the proper campaign is lacking.

Such a belief is not a new development. “Year in and year out for several years,” declares Wilson V. Little, secretary of the American Warehousemen's Association, “the subject has been thought of and discussed at annual meet-

ings. . . . Any plan of action, however practical it may appear in theory, is practical only to the extent that the money to carry it out is forthcoming.” Mr. Little also recommended to members that before starting for the Kansas City convention last January they resurrect the printed accounts of the 1923 convention and read again the report of the committee on publicity and joint advertising.

No national campaign to promote warehousing is yet possible. The reason is that already hinted: no money. A few State associations and quite a number of city groups have done, and are doing, business promotion by cooperative effort. Yet the industry lacks, at the present time, any unified publicity effort—as we all know and as the most of us regret.

### Individual Business Promotion

SINGLE warehouses, affiliated groups and chains of houses, and the newer terminal projects are, however, doing each their bit to educate the business world to the value of the warehouse in distribution. Many of these are carrying campaigns of advertisements in newspapers and trade publications, especially bankers' journals. A number of these are expending as much as \$10,000 a year in this manner, and at least one is financing a much heavier campaign for 1927. A very few warehouses are known to be so serious about their advertising that they employ a full-time advertising agent.

In addition to the sums spent through periodicals, warehousemen everywhere are doing more or less direct-mail advertising. Hardly an up-to-date warehouse in an important trade center overlooks entirely this way to promote business, while scores of warehouses are giving most careful attention to their copy, its appearance and its distribution.

It is my estimate that somewhere between 50 and 75 warehouses are employing professional “ad” writers and professional advertising agencies to supervise preparation of their copy for this purpose. To estimate the total dollars required for these campaigns is futile, as, also, it would be of no practical value. It is large. Each of them is denting away to impress on distributors how warehouses cut costs—stress-ing, of course, primarily the virtues of a single warehouse above all others, but, just the same, telling again and again “the old, old story” of warehousing service.

For, be it remembered always, warehousing has no commodity to sell.

Warehousing is a “service” and nothing else.

A campaign to advertise candy or flowers or paint or electric refrigerators can be measured by immediate results in sales volume. A campaign to advertise the medical profession or architectural services or proper care of one's eyes—or warehousing—will yield very few new accounts within the first year. To contract for a “service” is a slower and more deliberate process than to sign an order for a refrigerator or to telephone for candy or flowers.

Before the family puts its furniture in storage, the whole scheme of home life must be altered, with delicate considerations of the future for each member.

Before a manufacturer consigns the first carload to a public warehouse, his entire plan of distribution must be revamped; old premises must be sublet or sold; employees “let out”; often—more often than the warehouseman suspects—a group of executives, for reasons of their own, will “buck” the warehouse proposal.

Such a service as the warehouse offers, by its very nature, cannot be lightly undertaken by the new account. Prudence, indeed, dictates that caution should enter the change.

It therefore follows that any plan for business promotion in warehousing must look to the long future for its big results. This statement applies equally to joint promotion or individual effort of a single warehouse.

One warehouseman who has done much of promotion, said recently:

“We got close to 900 prospects, about a hundred of them live ones and about a dozen that we are actively working

on. So far four new accounts have come to the house. Those four, in a year, will pay for all the cost twice over; and we have all the others to work on.”

Another warehouseman, who spent \$8,600 during 1926 in direct-mail, tells:

“We got just one account and that didn't come until November. Their December billing was \$1,760. But our publicity woke up maybe twenty important concerns. They'll go into some warehouse sometime. Here is another result—one we didn't expect. Our old accounts grew in volume. I figure this was because we impressed on them what we could offer; and, then, you know how it is, our whole organization was pepped up by knowing we were on our toes for new accounts. The publicity paid—and we'll increase the budget for 1927.”

### Where to Mail?

THE first thing is to decide to do business promotion. No sooner is that question determined and the requisite sum set aside than there emerges a knotty question: “Where'll we mail the stuff?”

Attention, as a rule, is turned to those who are known to distribute through warehouses, with the thought that they, being already educated, make most likely prospects for new accounts. During the Food Administration's operation an effort was made to compile a list of all who patronize public warehouses, and that list was, at one time, the best in this country. It is now, however, ten years old. It is not available. Even if it were, it would be largely useless.

Distribution and Warehousing has probably the most comprehensive list of warehouse patrons. By daily correc-

tions, and with the expenditure of considerable money, every effort is made to keep this list accurate. It is subdivided into 21 community classes, so that if a warehouseman wishes to circularize paint and varnish manufacturers, or any other group, his promotion literature goes to that group only. The list is in addressograph form, in readiness for quick labeling of wrappers and with mechanical equipment for accurate mailings.

When, however, the warehouseman sets out to circularize the public he faces a host of perplexing problems.

Of all these problems, the one that ought to be first examined is the one that is never studied—usually not so much as guessed. It is that of postal regulations and post office procedure.

Anyone who is spending money for direct-mail publicity owes it to himself to visit the postmaster or the superintendent of mails of his city; he ought to be frank enough to tell that official that he knows nothing about direct-mail mailing; and he ought, above all else, to ask to be shown how second, third, and fourth class mail is handled in the post office distributing room. When he gets into that room, he should give most attention to the mountainous-high piles of un-deliverable matter—sold by the Government for waste paper.

First class mail is forwarded and re-forwarded without charge; if finally undeliverable, it is returned to the sender. No other class of mail is either forwarded or returned. Even air mail, with its 10c. per half-ounce, is neither forwarded nor returned.

We shall not, on these pages, attempt to tell the story of post office waste paper. It is sufficient to suggest that the Government has regulations for every detail of postal operation, down to the twine with which you wrap your bundles of letters, and that these rules are inexorable; they apply to the mail of J. P. Morgan & Co. and to the circulars of Mr. Nobody of Nowhere. They apply to your circulars.

A second suggestion is this: the Government does not advertise these regulations. They are "published" but not "advertised," which means that anyone who takes the pains to go to the post office and inquire will be told but the Government goes to no expense to inform the individual or the corporation.

#### Changes Constant

NO mailing list can be without error. Changes in firms, personnel of officers, location of office—a hundred items—come every week. Telephone directories are out of date the day of issue; city directories come once a year (in fast-growing Detroit twice a year); but their classified lists change more rapidly than printing presses can turn off the sheets. If one-fifth of your promotion literature is sold by Uncle Sam for waste paper, it is surely worth your time to spend one hour with the superintendent of mails of your city and learn the first lesson of direct-mail procedure.

#### Lists

IT is possible to purchase mailing lists in every city. The making of them has become an established business. Such purchased lists may be good; often they are inexcusably bad.

If the warehouse wishes to circularize the bankers, in an effort to educate them to the warehouse receipt as collateral for loans or as to the convenience of custodian storing, it is wasteful, as well we know, to address "The First National Bank, New York." Such a piece of direct mail has no chance of greeting the eye of any officer who controls bank policies.

Think over how incoming mail is handled in your own office!

Mail for this purpose should be addressed individually to the proper bank officer—"officers" in all probability—for the sound reason that direct-mail should be sent to each individual in a concern who can possibly influence its business policy. Remember, your direct mail is prepared for results: do not fear that too many will read it.

No mailing-list house can prepare so good a list for your business promotion as you can; no one in your warehouse can make up so valuable a list as you can yourself (unless your organization is able to employ an advertising manager or a mail specialist).

"The weak spot of all direct mail," in the opinion of a nationally known professional in this business," is the list. Executives will spend hours going over their copy, and then hire some girl at \$8 a week to make up the list."

There is, of course, the alternative of purchasing the mailing list from professional concerns which do such compiling, often combining with that service the related services of addressing and mailing, etc. No purchased list, no list compiled by any other person or firm, can, however, have the value of one a warehouseman makes for himself, if—and here's the rub—if he will take the time to do it.

It is a monotonous job, those hours and hours of drudgery checking names. No work, however, in business promotion is more worth the time of the warehouseman. Who can know so well as yourself what men in the bank should be taught about financing warehoused stocks? But, once that you have checked the lists, a clerk can keep them up to date and can oversee the repeated mailings.

For a bankers' mailing list, several directories of banks are available. Your bank will have one. On this it is possible to check the names of individual officers, beginning in your own city, out over your State, into other States if need be. After you have checked them, a clerk can copy them off. You are assured that names are right, correctly spelled and with proper initials and accurate titles. Little items, these but of importance, great!

#### Prospects—Not Just Names

THE importance of good mailing lists, if you are to use them at all, can hardly be overstressed. A good list is

composed of the names of actual possible customers. What a correct list costs becomes secondary in importance for the reason that results of the campaign depend largely upon the quality of the list.

Good lists must be compiled from the very latest sources of information. Old lists or "stock lists" quickly prove their inefficiency. It is probable that the average list will require changes of address or name to the extent of not less than 20 per cent each year, and, unless changes are recorded promptly, waste of matter and postage follows.

According to R. G. Dun Co. there are in this country more than 6,000 business changes each day of the year, due to death, bankruptcy, removal, change of firm name, etc., while the change of greatest importance to the advertiser is the oncoming of new concerns, just entering business, whose trade and warehouse connections have not yet been perfected.

No wise warehousemen, therefore, will continue to use his old lists simply to save the cost of new lists. To do so is to court losses which might otherwise become profits.

It is not the number of names on the list that is of value. Logical business prospects are the only names worth while.

It is for this reason that experienced users of direct mail select their lists with the greatest of care from reliable sources. Many of them purchase guaranteed lists from concerns who specialize in this business, the guarantee taking the form of the compiler agreeing to refund the postage on all post office returns due to errors in the list.

It is interesting to note that one such concern guarantees up to 98 per cent of all lists it furnishes, with 95 per cent for such unstable enterprises as garages and 90 per cent for yet more shifty classifications such as owners of automobiles.

Good lists, reasonably guaranteed for completeness and accuracy, from the best concerns cost from about \$8 to \$15 per 1000 names, with an average close to \$10 per 1000. Such rates apply to lists covering the entire United States; when confined to particular sections or States, the rate is approximately \$1 per 1000 greater.

#### Trade Directories

IN the making of a mailing list for yourself it will be necessary to supplement your memory by use of directories of some sort. Those published listings enable the warehouseman quickly to determine whether or not a concern is a logical prospect, and, if desirable, to compile accurately the address of the concern and the names of individuals within its organization who will reasonably influence the warehousing policies.

Trade directories are issued annually for nearly every trade and industry.

Poor's Manual, Industrial Section, in two volumes gives a record of every important corporation in this country. For each is a history, description of the business and the products, the location



of all manufacturing plants and usually of branch sales offices, the names of officers, the capital stock structure, etc.

Moody's Analysis of Investments, Industrial Volume, gives the same information, plus a financial rating for each concern.

Both these publications are available at your bank; they are on file at the public library of any important city. They may of course be purchased from the publisher. They provide basic information for all leading corporations.

Thomas' Register of American Manufacturers and First Hands in All Lines, also issued annually, is an index to American manufactured goods. It gives the trade names of goods, so indexed that you can trace from trade name to manufacturer. Names of officers are usually given for each corporation; a full list of products made; together with a classified list of products. If, for example, you wish to learn all the makers and first hand distributors of garden hose, the Thomas' Register gives the answer.

Hendricks' Commercial Register and McRae's Blue Book, until 1925 two separate publications, have now been combined into one. Names and addresses of manufacturers are given; the same facts for distributors and wholesalers. Local distributors are generally given for most manufacturers' products. Under one section, "Classified Products," with names and addresses of maker are shown all items of material, supplies, equipment, machinery, etc., indexed and cross-indexed under words that come easily to your mind. Under the "Trade Name Section" is given the trade name for each article in common industrial use that has been put out within the

past twenty-five years (many no longer manufactured).

These directories are general. Trade and industrial directories apply to single lines, with greater detail.

The Keystone Mining Catalog, for example, covers mining—coal, iron, copper, silver, lead and others. The index and classified arrangement will enable you to list quickly the manufacturers (or distributors) of any mining item that is consumed in your trade territory. Until you have examined such a catalog it is probable that you have never visualized the range of mining equipment that might, with savings to the manufacturer, be distributed from your warehouse to the mines and sandbanks and quarries of your territory.

Nor—what is more—does the manufacturer understand how he might dominate your territory with spot stocks for his customers. The right mailing list, carefully chosen, and the right direct mail campaign ought to help both of you.

Similarly, suggestions for mailing lists may be found in such directories as these:

Iron & Steel Blue Book  
Printing Trade Blue Book  
Ice & Refrigeration Blue Book  
Chemical Engineering Blue Book  
Petroleum Register  
Shoe & Leather Annual  
Lumberman's Directory  
Sweet's Engineering Catalog  
Sweet's Architectural Catalog  
Atlantic Fisherman's Almanac  
Pacific Fisherman's Year Book  
Almanac of the Canning Industry  
Wholesale Grocers' Register  
Waste Trades Directory  
Cement Age Yearbook  
Chilton Automobile Directory  
Automobile Trade Directory (issued quarterly)  
American Textile Directory  
Consolidated Textile Catalog  
Davison's Silk Trades

Davison's Knit Goods Trades  
Dental Register  
American Medical Directory  
Hubbell's Legal Directory  
Standard Legal Directory  
Insurance Yearbook

The list is endless. We have not mentioned, in the foregoing, confectionery, radio, electrical goods, drugs, hardware, machinery, railroad supplies, paper, twine, sporting goods, tires, and a score of others. The directories named, however, have been given by title in order to impress on the warehouseman that lists are available if only he will exercise his wits to lay hand upon them.

Any particular directory is available for purchase. In your city leading concerns in the particular industry will in all probability have the latest issue in the same manner that you possess the current issue of *Distribution and Warehousing's* directory of warehouses and which you gladly loan to all applicants. Public libraries, furthermore, hold these volumes on their reference shelves.

Until, therefore, joint publicity for warehousing becomes possible, our business promotion must come through the efforts of individual warehouses and groups of them. A large part of their promotion is done in person, through solicitation of new accounts; another part is carried forward by direct mail and advertising campaigns.

For the direct mail, a mailing list spells success or failure: see to it that your mailing list is right.

Do not let the Post Office Department pay its deficit by selling your direct mail matter for waste paper!

Give your mailing list your personal attention: no work you do is more important to the success of your warehouse.

### Elwell-Parker Co. Announces New Light Duty Electric Tying Tractor

A NEW lighter duty electric tying tractor has been added to the mill type series of the Elwell-Parker Electric Company, Cleveland. The machine is designed to handle skid loads, as in regular lift truck service, or to lift the load from the floor four to eight feet when tying or stacking in storage, stock room, delivering goods to motor truck or to railroad car from rail level to car floor.

This is the 2-ton tying truck which completes the line of this type, the two previous sizes being rates 3 and 6 tons. The three machines cover the range for practically every high-lift operation required in industrial materials handling.

The new 2-ton is of all-steel construction and is built on the interchangeable parts basis. The platform is a solid plate of steel with edges bent into a deep skirt and with heavy angles welded down the middle for attachment to steel support arms. Each arm carries two long bearing rollers which bear on heavy section channel uprights fitted with track.

The machine is a high speed tool built for various height lifts and with several size platforms to suit materials handled. It is especially designed for the lighter manufacturing branches of industry as

well as warehouses, railroad stores, shops and steamship terminals and will

fit practically any electric or hand lift truck skid now on the market.



Two-ton tying truck adaptable to warehouses and terminals

# Year-'Round Economies Essential to Successful Truck Operation

By PHILIP L. SNIFFIN

**D**O you think, because you have a fleet of motor trucks which you can keep moving without waste during busy seasons, that you are doing all that can be expected to keep truck costs down?

How about those weeks and months when you have idle equipment on your hands, costing you money if only for interest and depreciation and producing not a thing to justify their keep?

And when a slow period comes around, do you keep the same number of trucks on the go, using them wastefully as so many concerns do, or do you try to apply a little science to the thing and cut down the number of trucks in service in proportion to the amount of work there is to be done?

That is one of the big leaks in motor truck operation today—a mighty scramble to keep up with schedules at any cost during busy seasons and a surplus of useless

equipment with extreme waste during slack seasons.

I wonder with how many readers of *Distribution and Warehousing* that statement will "hit home."

True economy must be year 'round economy. The use of the trucks must be governed by the amount of work there is for the trucks to do. Keep every truck busy at its maximum capacity while it is in operation. Cut down on schedules in slack seasons. Combine the schedules of two trucks when there is only enough work to keep a truck half busy during a day.

One of the biggest opportunities for greater profit in motor delivery equipment lies in equalizing the use of the equipment over a full year's time.

Let us point out a few examples of how this may be done. The users of small truck fleets can get good ideas from the big concerns who have solved the problem.

**H**ERE, for instance, is a concern which uses eighty-eight trucks. A system of maintenance has been established which is really a model for year 'round efficiency.

Five vehicles in the fleet are maintained as reserve trucks. All others are given specific routes and their work is planned always ahead of daily requirements. Of these five reserve trucks, two are held to replace trucks assigned to the repair shop; two to replace trucks in the paint shop; and one is reserved for accidents or bad break-downs.

During holiday and heavy delivery seasons this garage reserve is withheld from the shop and used to reinforce the delivery fleet.

In any lull in deliveries an extra truck is withdrawn from delivery service and put through the paint shop, so that each truck goes through the paint shop once a year.

Three spare bodies are in service to allow of this number of regular bodies going through the paint shop continually. By this method three weeks can be allowed to repair and paint a body, and the chassis is held in the paint shop only one week.

Territories are classified as Beach, Suburban and City. The first two years of its service, a truck is assigned to beach work, covering from 60 to 100

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**T**HIS is the eighth of Philip L. Sniffin's new series of articles dealing with motor vehicle equipment, etc., in the public warehouse industry. The author is an advisory motor truck engineer who is nationally recognized as an authority in his field. His ninth text will appear in an early issue.

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miles a day, and making 80 to 120 deliveries.

The next two years this truck is on suburban work, covering from 30 to 50 miles a day.

From the end of that period for the balance of its service it is on city work, and covers about 20 miles a day.

Maintaining a fleet covering this range of territory, and furnishing reliable consistent service with a small reserve, requires close supervision and attention to mechanical condition. This is obtained through a system of regular inspection and spare replacement units.

The oldest vehicle in service is maintained in sufficiently good condition so that in case of need it can be put out on a beach trip.

During the first two years a truck is operated it covers from 20,000 to 25,000

miles, and except in case of accident is maintained entirely on inspection service. At the end of that time it usually requires regrounding and some overhauling of transmission, differential, etc.

The truck then goes into suburban work, and for the next two-year period it is again maintained by inspection. At about the end of the fourth year the truck goes through what is known as a detailed overhaul. The amount of work being done at that time depends on the length of time it is planned to keep it in service. The economical life of the truck in this service is from five to seven years, depending upon the total mileage, the type of work, the number of stops and starts, and the drivers it has had.

The night inspector spends one or two nights on a car, replaces miscellaneous small bushings, spring bolts, brake assemblies, clutch plates, steering gears, or any units that can be completed in one night. As a rule, on the exchange of any of the larger units, this work can be foreseen from a previous inspection, so that the work can be planned ahead and done by the day crew on the next regular inspection period, or on a day when deliveries are light.

This system is a complete and practical method of providing a balanced truck up-keep system. Its economy lies

in the fact that work is scheduled scientifically to be evenly distributed over a full year's time. Thus a repair force can be maintained as a steady unit, its costs standardized, and an adequate number of trucks to meet daily requirements is assured.

#### Judging Year's Requirements

**A** CONCERN has one vital condition to consider before deciding when to buy and when to rent a motor truck. That condition is whether purchasing a truck will involve enough idle time in the course of a full year to make up for the difference in cost between an owned truck and one that is rented when extra equipment is needed.

Perhaps the problem can be best expressed by "How can we handle our hauling during the busy season and at the same time have a minimum of empty trucks on hand during the dull season?" Roughly speaking, there are three ways in which this may be done.

1. If we figure the rush-season hauling requirements at 100 per cent, it is not difficult to estimate a percentage that will represent the dull season. For instance, an owner might find that his average low hauling requirements are 50 per cent, or half of his highest average. In such a case, he might install a 75 per cent equipment consisting not necessarily of all motor trucks, but as many trucks as he can profitably handle in his business, supplemented by teams. During the rush season, he may put on an extra shift of drivers, working his trucks more hours per day and overload very occasionally if necessary.

There are serious disadvantages to this plan, however, unless measures are adopted to safeguard against them.

Overloading and subjecting the truck to severe grinds are not ordinarily to be recommended as a general policy, as higher repair costs and depreciation more than make up for the saving effected. But as a temporary measure during rush seasons only—provided the season is not too long—if the owner has purchased high grade equipment and if lubrication, inspection and other items of maintenance care are considered accordingly, experience has shown that this plan can be used satisfactorily.

2. Perhaps the most commonly adopted method used is that of purchasing sufficient equipment to handle the normal business and then renting additional trucks or teams as needed. For the most part this is a reasonably efficient plan and where it is possible to rent equipment on short notice at a reasonable cost, it may be generally recommended.

Very roughly, it may be estimated that the cost per day of a rented truck is slightly more than double that of one owned by the company, assuming, of course, that the latter is kept busy for a full working year. On this basis—and the individual reader may readily determine the comparative costs in his own case—it may be seen that when he has enough work to keep a truck busy for half of the year, it is more profitable to own a truck than to rent

one. However, this plan reduces idle time to an absolute minimum and the company whose business is subject to gross uncertainties or intermittent expansion will do well to adopt it.

3. The third method of equalizing these conditions requires, in a sense, that the owner enter the general trucking business as a sideline. Although this plan may seem undesirable at first consideration, the writer's attention has been directed to innumerable instances where it has been exceedingly profitable.

Under this plan a member of the firm devotes his entire time in dull periods to obtaining contracts in commercial trucking at the regular trucking rates. Through this plan, he receives the maximum service and economy from his equipment. He has sufficient equipment available at the lowest cost when needed and at the same time his vehicles earn a substantial profit when he has no work for them to do.

The plan has been found in many cases to have the desirable effect of equalizing the business and income. In other words, when conditions are generally slow, the members of the firm—or in the case of the smaller concern, the proprietor—may divert their attention for the time being to the trucking business, which requires no special knowledge other than aggressiveness in obtaining contracts.

#### Base Trucks on Yearly Needs

**H**UNDREDS of concerns have lost heavily and have severely jeopardized their businesses by blindly going into the motor truck market, installing a fleet of trucks, and then expecting them to accomplish wonders no matter what task they were put on. They were told and shown that it is cheaper to own a truck than to rent one, so they bought enough trucks and trucks of sufficient capacity so that they would not be forced to rent at any time.

That, briefly, is the most expensive mistake a business man can make. He can "kill the goose that lays the golden egg," so to speak. There is, unquestionably, a place for the horse in many businesses, principally because a horse-team represents a much lower investment than a motor truck and consequently its fixed carrying charges are considerably less. In many cases, especially where hauls are very short and where traffic is not especially congested, they can be operated just as efficiently and just as economically. But there is, too, a definite and very important place for the motor truck.

In general, however, it may be said here that for most hauling requirements, the horse-drawn vehicle serves well as an auxiliary to the motor truck fleet, and the operator will do well to make a careful investigation of his individual hauling conditions before deciding to discontinue their use entirely.

Selecting the right truck involves, first, a complete dependence upon the reputation and reliability of the manufacturer rather than upon the physical appearance of the truck. If familiar with engineering details, the owner

should make a careful study of comparative specifications; otherwise, he should look to performance records of longevity, dependability and economy.

First cost is far from being the most important cost in the end, as the successful truck purchase is one that renders efficient service at the lowest cost per ton mile over a period of years.

Regarding the most economical size of truck to install, it may be well to point out that per unit of capacity hauled, the first cost, maintenance costs, operating costs—in fact, every item of expense—decreases as the size of the truck increases. A prominent truck authority places the average relative cost per ton mile as follows: 1½-ton truck, 16 cents; 2-ton truck, 13 cents; 6-ton truck, 7½ cents. It can be seen, therefore, that when unit hauling costs are considered, it is more economical to haul in large trucks than in small ones. However, it is possible to waste more than enough carrying capacity to make up for this saving by installing a larger truck than the average daily loads require.

The problem is one requiring individual thought, inasmuch as it is affected by the nature of the business. It should be remembered, however, that where loads are uniformly large and where routes traveled warrant it, a few large trucks are more economical to operate than a greater number of small trucks. There are instances, to be sure, where small trucks have greater advantages.

#### Change Routes to Meet Needs

**A**S mentioned at the beginning of this article, the owner can, in slack seasons, by careful routing reduce the number of equipment units required, thus cutting down on drivers' wages and all other expenses connected with operating such unnecessary equipment.

The first thought in routing is the elimination of duplicated service. Zone delivery—calling for division of the hauling area into zones, with regular schedules for each truck, allowing, of course, for rush requirements when necessary—has been found to be a very practical basis. With the larger businesses and where the trade area is regularly concentrated, this feature of truck operation has the greater economy advantages.

But regardless of what the conditions are, it is true that the warehouseman who goes over his territory carefully, and studies the best ways of handling his trucks on definite routes, will find a substantial saving between this and a method of handling the work in an irregular way, making shipments individually as required.

Larger concerns operating a large number of trucks will require a comprehensive system of scheduling and dispatching. In this case the services of a dispatcher, whose sole duty is to see that every bit of waste is eliminated, will be more than justified by greater productivity on the part of the fleet. Ordinarily the dispatcher is located at the main office of the company and is in direct contact with the vehicles and drivers throughout the day.



Dispatching is a clerical matter but one which requires intelligent application and brainwork of the highest order. Briefly it may be said to consist of keeping every vehicle on the road all the time possible. In the broadest sense, the dispatcher has a bird's-eye view of the whole delivery situation. The method by which he ordinarily functions in connection with a route fleet may be summed up as follows:

1. He is responsible for keeping and interpreting the schedule system.
2. He must continually be devising new and better routing methods by time study and by constant reference to the city map.
3. He must be ready to supply equipment where needed at any time within reason.
4. He compiles each day's schedule and gives assignments to the drivers.
5. He is responsible for the frictionless coordination of branch fleets, eliminates unnecessary duplication, and reduces idle vehicle time.

The dispatcher is usually the interpreter and often the originator of the route or zone system used. His best guide to the situation is the street map of the city or territory covered in the business radius. Working in this way

he arranges each zone with the help of the map and designates on the map how that zone may best be reached, indicating short cuts, best roads, etc. He would then route the trip within the zone as it may best be covered, considering the items mentioned in the foregoing. Having accomplished this routing, he would assign as many vehicles (of the most economical types) to the route as the volume of business in that section warrants.

By constant experiment the dispatcher or owner who earnestly desires to route his vehicles effectively will be surprised at the amount of increased efficiency that can be obtained, which, when it is once put on a sound basis, may be adapted to changing requirements with very little effort.

It should be the duty of some one official in the service of each company to be responsible for watching routes so they will be neither too long nor too short for the regular maintaining of schedules.

This assistance to the efficient handling of routes by the drivers is comparable to the position of sales manager in any kind of an organization that sells either a service or a commodity. A crew of salesmen, turned loose upon

the market, will never bring in successful results unless the men are supervised and assisted in their work. Even when definite territories are assigned to the men, and even though they are put upon their own responsibility with their income based upon the amount of business they bring in, there are always difficulties which will arise to require central supervision.

#### Conclusion

IN aiming, therefore, to establish a truck system that will operate economically throughout the full year, we must first see that our maintenance plan adequately keeps the trucks in condition with a steady flow of work for the repair force.

We must have the right number of trucks—not too many, not too few—and aim to utilize them in other ways where they are not needed in the business.

We must select equipment of the kind suited to handle the yearly business with the least possible waste.

Finally, we must watch our routing to continually devise ways to keep each truck assigned to a day's work really busy throughout that day, so that other trucks may be released from service with corresponding economy.

### Bankers and Warehousemen in New York Effect Agreement Regarding Use of Negotiable Receipts

IN connection with the survey of New York port's merchandise and cold storage warehouse industry—an inquiry conducted by the Merchants' Association of New York in conjunction with bankers, storers and the Warehousemen's Association of the Port of New York—C. S. Mead, secretary of the Merchants' Association, on August 1 sent to the committee of junior officers of New York's commercial banks and to the banks which are members of the Merchants' Association the following letter:

"In the course of the survey certain conditions were found which needed consideration jointly by warehousemen, bankers and merchants, and a Joint Warehouse Committee was consequently set up by the association. In its deliberations, this committee met with representatives of a number of large banks of the city, as a result of which it recommended:

"1. That banks holding negotiable warehouse receipts as collateral for loans advise the warehousemen issuing such receipts to the end that the warehousemen may be in a position to keep the banks informed as to such matters as might affect the banks' interest in the merchandise covered by the receipts;

"2. That the custom of using trust receipts covering warehouse receipts be eliminated so far as may be practical.

"As to No. 1, the warehousemen have agreed that in instances where banks hold negotiable warehouse receipts and advise the warehousemen to that effect the latter will undertake to keep the banks informed as to any apparent deterioration, leakage, needed cooerage, non-payment of charges and other mat-

ters which might impair the value of the banks' security. In this the warehousemen believe that they would be not only of direct service to the banks but indirectly also of service to the customers of the banks. The warehousemen would benefit under this suggested procedure by reason of the fact that they would be able to reach the owner of goods more quickly in urgent cases and possibly they might in some instances be able to collect their charges more promptly. The warehousemen believe, however, that the advantages to the banks would be greater than the advantages to themselves.

"The foregoing paragraph, as far as deterioration, leakage and needed cooerage, etc., are concerned, would apply to miscellaneous commodities, notable among which are barreled commodities such as oil, casks of olives or cherries, garlic, and many others.

"In further reference to warehouse receipts, it appears that in cases of loans made by banks on merchandise when the loan is expected to run for a considerable period non-negotiable receipts in the name of the banker are more desirable than endorsed negotiable receipts, for the goods are under his sole control. The warehouseman will not permit delivery, or even inspection, of the goods without the written authority of the banker. In case the borrower is involved in litigation, an attachment of the goods will not prevail so long as the receipt is in the name of the banker.

"The banker assumes no liability or diminution of security in the event of loss, misplacement, or destruction of a non-negotiable receipt, since goods can-

not be released without his written order. Partial delivery can be made merely on the written order of the banker. Most of the warehousemen issue non-negotiable receipts when banks desire this substitute, without a charge for the additional receipt.

"As to No. 2, the present practice of the use of trust receipts covering warehouse receipts to be transmitted from a bank to a warehouseman appears not only to be abused in many instances but results in difficulties to banks, their customers and the warehousemen.

"For example, it is common practice for a bank, when it holds a negotiable warehouse receipt as collateral for a loan and the merchant desires to take delivery of a part of the merchandise, to surrender the receipt to the merchant taking a trust receipt in return, the merchant presenting the warehouse receipt to the warehouseman to release the goods to be delivered, the warehouse receipt then being returned by the merchant to the bank and the trust receipt lifted.

"The warehousemen believe that the interest of all three parties would be better served in such instances were the banks to present the warehouse receipts to the warehouseman, the latter returning them direct to the banks. In cases where for trade reasons delay would be involved in the return of the receipt to the bank the warehouseman would give a temporary receipt for the warehouse receipt to be returned to the bank, the receipt constituting, in the judgment of the Committee, collateral equivalent to the warehouse receipt itself as compared with the very doubtful value of the trust

(Concluded on page 41)

# "General" and "Particular" Average as Relating to Marine Insurance

*Here Is a Concise Explanation for the Shipper*

By ROBERT M. FERGUSON,  
*Specialist in Warehouse and Van Insurance*

**I**N the language of marine insurance the word "average" means loss or damage. If this meaning is understood, the broad principles of, and the difference between, general average and particular average is clear. General average is "average" or loss which falls *generally* on all the interests (ship, freight and cargo) involved in the adventure, while particular average is "average" or loss which falls on *one particular interest*.

It should be understood that the principle of general average is entirely independent of insurance and in fact was in existence long before insurance was thought of, being mentioned in writings as far back as 200 A.D. It should be remembered also that no such thing as gen-

eral average is known on land; it is part of the ancient law of the sea.

The underlying idea of general average is that whatever is given for the benefit of all, should be made good by the contribution of all. The leading case in this country on the subject is that of the "Star of Hope," in which the Supreme Court made the following remark:

"Common justice dictates that where two or more parties are engaged in the same sea risk, and one of them, in a moment of imminent peril, makes a sacrifice to avoid the impending danger or incurs extraordinary expenses to promote the general safety, the loss or expenses so incurred shall be assessed upon all in proportion to the share of each in the adventure."

**T**HERE is a very old case which furnishes a picturesque illustration of the principle of general average. In the old days of sailing ships, when the sea was still romantic, a British merchant vessel was sighted by a French privateer which immediately gave chase. The British vessel was fairly fast and the chase lasted all day, with the Frenchman gaining slowly.

When darkness came, the master of the merchant vessel extinguished all his lights and then launched and turned adrift his jolly boat, with its sail up and a light at its masthead. The small boat flew in the darkness and the privateer followed its light, while the British vessel changed its course and escaped in the dark.

That is an example of general average: the ship and all it contained were in imminent peril; a voluntary sacrifice was made (namely, the turning adrift of the small boat) by which the whole adventure was saved.

It is obviously only fair and equitable that everything saved, the ship, the cargo, and any freight money which the ship owner might receive at destination, should contribute, in proportion to its value, toward the value of the small boat.

Such examples do not occur every day, but among the instances of general average which come up very frequently in modern times may be mentioned the

jettison of cargo to lighten a ship when ashore or in heavy weather; putting into a port of refuge; the use of water or steam to extinguish a fire on board.

Let us take, as an example, the jettison of cargo. A vessel sails, properly loaded and seaworthy. During the voyage bad weather is encountered, and this, in conjunction with the amount of water which has entered the vessel's hold, makes it necessary to lighten the vessel. It is decided to jettison some of the cargo, and this is done. The ship is thus enabled to ride through the storm, and arrives safely at destination.

The merchant or merchants whose cargo has been sacrificed are waiting for their consignments. They cannot be told to run away and be good boys, because they ask, "Well, why was our cargo thrown overboard, and not the other fellow's?"

So what happens in modern times is that the ship owner delivers none of the cargo from the vessel until he has satisfactory security from the cargo which has arrived that it will contribute its share to the voluntary sacrifices which were made, and which brought them all to safety.

The consignees therefore are required to sign what is known as a general average bond; and in addition, if they are insured, to furnish a guarantee from their underwriters to pay whatever general average contribution is

found to be due from that particular shipment. If the cargo is not insured, the ship owner may require from the consignee a deposit in cash, to cover the estimated proportion due from that cargo.

To those not very familiar with marine insurance it sometimes seems strange that although their cargo arrives at destination perfectly sound, they are yet called on to make such a deposit, or to give security for a future contribution to the general average, but I think that the foregoing will explain the reason.

Of course where insurance is carried, the whole matter is simplified for that particular ship or consignee.

As stated, the principles of general average are independent of any insurance, and this distribution over all the interests is made whether insurance is carried or not; but all marine insurance policies insure against general average, so that any general average loss or contribution is paid by the underwriters.

A particular average loss is a partial loss of whatever is insured, which is caused accidentally, and not incurred voluntarily, as opposed to a general average loss.

Instances of this are cargo damaged by fire, or by sea water in heavy weather. Such losses naturally lie where they fall and are not contributed to by the other interests. They may consist either of a total loss or part of the shipment;

or a partial damage to all, or part, of the shipment.

Marine insurance policies contain a variety of clauses governing the extent to which particular average losses are payable.

The basic marine insurance cover is against the major perils; stranding, sinking, fire and collision.

In transportation policies governing transit of goods on land, the perils are usually mentioned as fire, collision and overturn or derailment.

These are the perils against which the merchandise is insured; and when this type of insurance is used, the cover is usually expressed as "Free of particular average, unless" and then are enumerated the exceptions: "unless caused by the vessel being stranded, sunk, burned, or in collision."

This may sound rather like putting the cart before the horse, but under this cover all general average of course is covered and also particular average losses caused by the vessel being stranded, sunk, burned, on fire, or in collision.

This wording is known as the F. P. A. A. C. cover; that is, Free of Particular Average American Conditions.

A cover that is a little more inclusive and more generally used is the F. P. A. E. C. cover (Free of Particular Average English Conditions). The wording of this clause is "Free of particular average unless the vessel be stranded, sunk, burned, on fire or in collision."

At first sight, the American and the

English conditions appear to be very much the same. However it will be noticed that under the American clause the damage must be "caused by" the stranding, collision or other accident; while under the English conditions the policy is converted from a "free of particular average" policy to a "with average" policy by the happening of one of the accidents mentioned, and it is not necessary for recovery from underwriters that the average be caused by the accident.

As an example, let us assume that a vessel has encountered heavy weather and some of the cargo has become wet in consequence. In entering port at destination the vessel is in collision. It may be only a slight collision, doing no damage at all to the cargo.

Under the F. P. A. A. C. clause there is no liability under the policy, as no loss has been sustained by the cargo as a result of this collision.

However under the English clause, in view of the fact that the vessel has been in collision, the heavy weather damage may be collected, although the collision had nothing whatever to do with it.

A still wider form of cover is the clause, adopted in England, known as the F. P. A. Institute Clause, the name being derived from the fact that the Institute of London Underwriters has formally adopted the clause. It is in general use throughout the world in marine business and reads as follows:

"F. P. A. Clause: Warranted free from particular average unless the vessel or

craft be stranded, sunk, or burnt, but notwithstanding this warranty the Assurers are to pay the insured value of any package or packages which may be totally lost in loading, transshipment or discharge, also for any loss of or damage to the interests insured which may reasonably be attributed to fire, collision or contact of the vessel and/or craft, and/or conveyance with any external substance (ice included) other than water, or to discharge of cargo at port of distress, also to pay landing, warehousing, forwarding and special charges if insured for which underwriters would be liable under a policy covering particular average."

Marine insurance can of course be also taken out under what is known as "W. A." or "with average" conditions, and there are a number of such forms. The insurance may be arranged to pay particular average if amounting to ten per cent of an entire shipment, or five per cent or three per cent of the entire shipment. The size of the loss necessary in order to collect may be still further reduced by agreeing to have the percentage ten per cent, five per cent, or three per cent apply to a certain number of bags or boxes instead of to the whole shipment; as, for example, ten per cent on each fifty bags, or twenty-five barrels or something of that nature.

The amount of loss necessary to produce a claim is called the franchise; the smaller the franchise, the higher the rate charged for the insurance.

### **Three 850 Cu. Ft. Vans, Equipped with Side Doors, to Be Used by Morgan & Brother, New York, for Inter-City Removals**



**I**LLUSTRATED herewith is the new bus chassis van adopted by Morgan & Brother, household goods warehousemen in New York City. This vehicle is equipped with pneumatic tires, has a speed of 40 to 50 miles an hour and has a capacity of 850 cu. ft. A feature is a side door for delivery in conjunction with the rear doors.

According to Arthur J. Morgan, president, the company has had three vans of this type built and they will

be used in operation of the firm's new pool service between New York, Washington, Buffalo and Boston, in cooperation with the eastern district inter-city removals bureau of the National Furniture Warehousemen's Association. Agencies will be established in various cities.

"We had this new body built with a side door to assist also in our New York City work," to quote Mr. Morgan, "as the streets are getting too congested for us to back into our different jobs."



# Household Goods Warehousing in the United States\*

By CLARENCE A. ASPINWALL,  
President Security Storage Co., Washington, D. C.

## Chapter XIX

### Uniform Warehouse Receipts Act

**T**HE uniform warehouse receipts Act is now in force in all of the States of the Union except Georgia, Kentucky, New Hampshire and South Carolina. The Act is also in force in the District of Columbia, Alaska and the Philippines.

In several of the States certain changes have been made in the uniform Act. Such changes can be ascertained by reference to "Mohun on Warehousing," a compilation of the statutes and decisions which is the legal work on warehousing. The Act is as follows:

#### Part I

##### THE ISSUE OF WAREHOUSE RECEIPTS

**SECTION 1.—Persons Who May Issue Receipts:** Warehouse receipts may be issued by any warehouseman.

**SEC. 2.—Form of Receipts. Essential Terms:** Warehouse receipts need not be in any particular form, but every such receipt must embody within its written or printed terms:

- (a) The location of the warehouse where the goods are stored,
- (b) The date of issue of the receipt,
- (c) The consecutive number of the receipt,
- (d) A statement whether the goods received will be delivered to the bearer, to a specified person, or to a specified person or his order,
- (e) The rate of storage charges,
- (f) A description of the goods or of the packages containing them,
- (g) The signature of the warehouseman, which may be made by his authorized agent,
- (h) If the receipt is issued for goods of which the warehouseman is owner, either solely or jointly or in common with others, the fact of such ownership, and,
- (i) A statement of the amount of advances made and of liabilities incurred for which the warehouseman claims a lien. If the precise amount of such advances made or of such liabilities incurred is, at the time of the issue of the

receipt, unknown to the warehouseman or to his agent who issues it, a statement of the fact that advances have been made or liabilities incurred and the purpose thereof is sufficient.

A warehouseman shall be liable to any person injured thereby, for all damage caused by the omission from a negotiable receipt of any of the terms herein required.

"A receipt or memorandum given by a warehouseman to his bailor, which shows that the property described therein was received from the bailor, by the warehouseman, for safe-keeping, in the ordinary course of his business, is a sufficient warehouseman's receipt to entitle him, under this act, to require his bailor and an adverse claimant to interplead and settle their respective rights to the property, although the receipt may not embrace all of the terms set forth in section two of the act." *N. J. Title Guarantee and Trust Co. vs. Rector*, 76 N. J. E. 587.

**SEC. 3.—Form of Receipts. What Terms May Be Inserted:** A warehouseman may insert in a receipt, issued by him, any other terms and conditions, provided that such terms and conditions shall not:

- (a) Be contrary to the provisions of this act,
- (b) In anywise impair his obligation to exercise that degree of care in the safe-keeping of the goods entrusted to him which a reasonably careful man would exercise in regard to similar goods of his own.

"A receipt given at the time of deposit of a hand bag at a parcel room contained a provision that the defendant bailee's liability was limited to \$10. Held, this clause of the receipt impaired the bailee's obligation to exercise that degree of care in the safe-keeping of the goods entrusted to it which a reasonably careful man would exercise in regard to similar goods of his own, and hence was a condition which the defendant had not, under this section, the legal right to insert in the receipt and it

was therefore void. In the receipt the conditions above mentioned were in fine print and were not called to plaintiff's attention. It was further held, under the circumstances, the plaintiff was not chargeable with knowledge of such conditions.

"Houghton, J., concurred in the opinion but took the view that the 'Warehouse Law' was not applicable. *Healy vs. N. Y. C. and H. R. R. Co.*, 138 N. Y. S. 287."

**SEC. 4.—Definition of Non-Negotiable Receipt:** A receipt, in which it is stated that the goods received will be delivered to the depositor, or to any other specified person, is a non-negotiable receipt.

**SEC. 5.—Definition of Negotiable Receipt:** A receipt in which it is stated that the goods received will be delivered to the bearer, or to the order of any person named in such receipt, is a negotiable receipt.

No provision shall be inserted in a negotiable receipt that it is non-negotiable. Such provision, if inserted, shall be void.

**SEC. 6.—Duplicate Receipts Must Be So Marked:** When more than one negotiable receipt is issued for the same goods, the word "duplicate" shall be plainly placed upon the face of every such receipt, except the one first issued. A warehouseman shall be liable for all damage caused by his failure so to do to any one who purchased the subsequent receipt for value supposing it to be an original, even though the purchase be after the delivery of the goods by the warehouseman the same liabilities he would have incurred had the receipt been negotiable.

This section shall not apply, however, to letters, memoranda, or written acknowledgments of an informal character.

#### Part II

##### OBLIGATIONS AND RIGHTS OF WAREHOUSEMEN UPON THEIR RECEIPTS

**SECTION 8.—Obligation of Warehousemen to Deliver:** A warehouseman, in the absence of some lawful excuse provided by this act, is bound to de-

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liver the goods upon a demand made either by the holder of a receipt for the goods or by the depositor, if such a demand is accompanied with:

(a) An offer to satisfy the warehouseman's lien,

(b) An offer to surrender the receipt if negotiable, with such indorsements as would be necessary for the negotiation and receipt, and,

(c) A readiness and willingness to sign, when the goods are delivered, an acknowledgment that they have been delivered, if such signature is requested by the warehouseman.

In case the warehouseman refuses or fails to deliver the goods in compliance with a demand by the holder or depositor so accompanied, the burden shall be upon the warehouseman to establish the existence of a lawful excuse for such refusal.

"Where stored property has been destroyed a demand for its return is not necessary before bringing suit. *Buffalo Grain Co. vs. Sowerby*, 195 N. Y. 355-358."

**SEC. 9.—Justification of Warehouseman in Delivery:** A warehouseman is justified in delivering the goods, subject to the provisions of the three following sections, to one who is:

(a) The person lawfully entitled to the possession of the goods, or his agent.

(b) A person who is either himself entitled to delivery by the terms of a non-negotiable receipt issued for the goods, or who has written authority from the person so entitled either indorsed upon the receipt or written upon another paper, or,

(c) A person in possession of a negotiable receipt by the terms of which the goods are deliverable to him or order or to bearer, or which have been indorsed to him or in blank by the person to whom delivery was promised by the terms of the receipt or by his mediate or immediate indorsee.

#### Misdelivery

**SEC. 10.—Warehouseman's Liability for Misdelivery:** Where a warehouseman delivers the goods to one who is not in fact lawfully entitled to the possession of them, the warehouseman shall be liable as for conversion to all having a right of property or possession in the goods if he delivered the goods otherwise than as authorized by subdivisions (b) and (c) of the preceding sections and though he delivered the goods as authorized by said subdivisions he shall be so liable if prior to such delivery he had either:

(a) Been requested by or on behalf of the person lawfully entitled to a right of property or possession in the goods, not to make such delivery, or,

(b) Had information that the delivery about to be made was to one not lawfully entitled to the possession of the goods.

**SEC. 11.—Negotiable Receipts Must Be Canceled When Goods Delivered:** Except as provided in Section 36, where a warehouseman delivers goods for which he had issued a negotiable receipt, the negotiation of which would transfer

the right to the possession of the goods, and fails to take up and cancel the receipt, he shall be liable to anyone who purchases for value in good faith such receipt, for failure to deliver the goods to him, whether such purchaser acquired title to the receipt before or after the delivery of the goods by the warehouseman.

**SEC. 12.—Negotiable Receipts Must Be Canceled or Marked When Part of Goods Are Delivered:** Except as provided in Section 36, where a warehouseman delivers part of the goods for which he had issued a negotiable receipt and fails either to take up and cancel such receipt, or to place plainly upon it a statement of what goods or packages have been delivered he shall be liable, to any one who purchases for value in good faith such receipt, for failure to deliver all the goods specified in the receipt, whether such purchaser acquired title to the receipt before or after the delivery of any portion of the goods by the warehouseman.

#### Altered Documents

**SEC. 13.—Altered Receipts:** The alteration of a receipt shall not excuse the warehouseman who issued it from any liability if such alteration was:

(a) Immaterial,

(b) Authorized, or,

(c) Made without fraudulent intent.

If the alteration was authorized, the warehouseman shall be liable according to the terms of the receipt as altered. If the alteration was unauthorized, but made without fraudulent intent, the warehouseman shall be liable according to the terms of the receipt, as they were before alteration.

Material and fraudulent alteration of a receipt shall not excuse the warehouseman who issued it from liability to deliver, according to the terms of the receipt as originally issued, the goods for which it was issued, but shall excuse him from any other liability to the person who made the alteration and to any person who took with notice of the alteration. Any purchaser of the receipt for value without notice of the alteration shall acquire the same rights against the warehouseman which such purchaser would have acquired if the receipt had not been altered at the time of the purchase.

**SEC. 14.—Lost or Destroyed Receipts:** Where a negotiable receipt has been lost or destroyed, a court of competent jurisdiction may order the delivery of the goods upon satisfactory proof of such loss or destruction and upon the giving of a bond with sufficient sureties to be approved by the court to protect the warehouseman from any liability or expense, which he or any person injured by such delivery may incur by reason of the original receipt remaining outstanding. The court may also in its discretion order the payment of the warehouseman's reasonable costs and counsel fees.

The delivery of the goods under an order of the court as provided in this section shall not relieve the warehouseman from liability of a person to whom

the negotiable receipt has been or shall be negotiated for value without notice of the proceedings or of the delivery of the goods.

**SEC. 15.—Effect of Duplicate Receipts:** A receipt upon the face of which the word "duplicate" is plainly placed is a representation and warranty by the warehouseman that such receipt is an accurate copy of an original receipt properly issued and uncanceled at the date of the issue of the duplicate, but shall impose upon him no other liability.

**SEC. 16.—Warehouseman Cannot Set Up Title in Himself:** No title or right to the possession of the goods, on the part of the warehouseman, unless such title or right is derived directly or indirectly from a transfer made by the depositor at the time of or subsequent to the deposit for storage, or from the warehouseman's lien, shall excuse the warehouseman from liability for refusing to deliver the goods according to the terms of the receipt.

**SEC. 17.—Interpleader of Adverse Claimants:** If more than one person claims the title or possession of the goods, the warehouseman may, either as a defense to an action brought against him for non-delivery of the goods, or as an original suit, whichever is appropriate, require all known claimants to interplead. (See *Manhattan Storage and Warehouse Co. vs. Benguiat Art Museum et al.*, 139 N. Y. S. 1073, and, *N. J. Title Guarantee and Trust Co. vs. Rector*, 76 N. J. E. 587.)

**SEC. 18.—Warehouseman Has Reasonable Time to Determine Validity of Claims:** If some one other than the depositor or person claiming under him has a claim to the title or possession of the goods, and the warehouseman has information of such claim, the warehouseman shall be excused from liability for refusing to deliver the goods, either to the depositor or person claiming under him or to the adverse claimant, until the warehouseman has had a reasonable time to ascertain the validity of the adverse claim or to bring legal proceedings to compel all claimants to interplead. (See *Zuber vs. Mehrle*, 112 N. Y. S. 1903.)

**SEC. 19.—Adverse Title Is No Defense Except as Above Provided:** Except as provided in the two preceding sections and in Sections 9 and 36, no right or title of a third person shall be a defense to an action brought by the depositor or person claiming under him against the warehouseman for failure to deliver the goods according to the terms of the receipt.

#### Goods Wrongly Described

**SEC. 20.—Liability for Non-Existence or Misdescription of Goods:** A warehouseman shall be liable to the holder of a receipt for damages caused by the non-existence of the goods or by the failure of the goods to correspond with the description thereof in the receipt at the time of its issue. If, however, the goods are described in a receipt merely by a statement of marks or labels upon them, or upon packages containing them, or by a statement that the goods

are said to contain goods of a certain kind, or by words of like purport, such statements, if true, shall not make liable the warehouseman issuing the receipt, although the goods are not of the kind which the marks or labels upon them indicate, or of the kind they were said to be by the depositor.

**SEC. 21.—Liability for Care of Goods:** A warehouseman shall be liable for any loss or injury to the goods caused by his failure to exercise such care in regard to them as a reasonably careful owner of similar goods would exercise, but he shall not be liable in the absence of an agreement to the contrary, for any loss or injury to the goods which could not have been avoided by the exercise of such care. (See *Levine vs. D. Wolf & Co.*, 78 N. J. L. 306) also (*Buffalo Grain Co. vs. Sowerby*, 195 N. Y. 355, 358.)

**SEC. 22.—Goods Must Be Kept Separate:** Except as provided in the following section, a warehouseman shall keep the goods so far separate from goods of other depositors, and from other goods of the same depositor for which a separate receipt has been issued, as to permit at all times the identification and re-delivery of the goods deposited.

**SEC. 23.—Fungible Goods May Be Commingled, if Warehouseman Authorized:** If authorized by agreement or by custom, a warehouseman may mingle fungible goods with other goods of the same kind and grade. In such case the various depositors of the mingled goods shall own the entire mass in common and each depositor shall be entitled to such portion thereof as the amount deposited by him bears to the whole.

**SEC. 24.—Liability of Warehouseman to Depositors of Commingled Goods:** The warehouseman shall be severally liable to each depositor for the care and re-delivery of his share of such mass to the same extent and under the same circumstances as if the goods had been kept separate.

**SEC. 25.—Attachment or Levy Upon Goods for Which a Negotiable Receipt Has Been Issued:** If goods are delivered to a warehouseman by the owner or by a person whose act in conveying the title to them to a purchaser in good faith for value would bind the owner, and a negotiable receipt is issued for them, they cannot thereafter, while in the possession of the warehouseman, be attached by garnishment or otherwise, or be levied upon under an execution, unless the receipt be first surrendered to the warehouseman, or its negotiation enjoined. The warehouseman shall in no case be compelled to deliver up the actual possession of the goods until the receipt is surrendered to him or impounded by the court.

**SEC. 26.—Creditors Remedies to Reach Negotiable Receipts:** A creditor whose debtor is the owner of a negotiable receipt shall be entitled to such aid from courts of appropriate jurisdiction, by injunction and otherwise, in attaching such receipt or in satisfying the claim by means thereof as is allowed at law or in equity, in regard to property which

cannot readily be attached or levied upon by ordinary legal process.

**SEC. 27.—What Claims Are Included in the Warehouseman's Lien:** Subject to the provisions of Section 30, a warehouseman shall have a lien on goods deposited or on the proceeds thereof in his hands, for all lawful charges for storage and preservation of the goods, also for all lawful claims for money advanced, interest, insurance, transportation, labor, weighing, cooping and other charges and expenses in relation to such goods, also for all reasonable charges and expenses for notice, and advertisements of sale, and for sale of the goods where default has been made in satisfying the warehouseman's lien.

#### Enforcement of Liens

**SEC. 28.—Against What Property the Lien May Be Enforced:** Subject to the provisions of Section 30 a warehouseman's lien may be enforced:

(a) Against all goods, whenever deposited, belonging to the person who is liable as debtor for the claim in regard to which the lien is asserted, and,

(b) Against all goods belonging to others which have been deposited at any time by the person who is liable as debtor for the claims in regard to which the lien is asserted if such person had been so entrusted with the possession of the goods that a pledge of the same by him at the time of the deposit to one who took the goods in good faith for value would have been valid. (*Farrell vs. Harlem Terminal Storage Warehouse Co.*, 127 N. Y. S. 306, and *Ludwig Bauman & Co. vs. Roth*, 123 N. Y. S. 191.)

**SEC. 29.—How the Lien May Be Lost:** A warehouseman loses his lien upon goods:

(a) By surrendering possession thereof, or,

(b) By refusing to deliver the goods when a demand is made with which he is bound to comply under the provisions of this act.

**SEC. 30.—Negotiable Receipts Must State Charges for Which Lien Is Claimed:** If a negotiable receipt is issued for goods, the warehouseman shall have no lien thereon, except for charges for storage of those goods subsequent to the date of the receipt unless the receipt expressly enumerates other charges for which a lien is claimed. In such case there shall be a lien for the charges enumerated so far as they are within the terms of Section 27, although the amount of the charges so enumerated is not stated in the receipt.

**SEC. 31.—Warehouseman Need Not Deliver Until Lien Is Satisfied:** A warehouseman having a lien valid against the person demanding the goods may refuse to deliver the goods to him until the lien is satisfied.

**SEC. 32.—Warehouseman's Lien Does Not Preclude Other Remedies:** Whether a warehouseman has or has not a lien upon the goods, he is entitled to all remedies allowed by law to a creditor against his debtor, for the collection from the depositor of all charges and

advances which the depositor has expressly or impliedly contracted with the warehouseman to pay.

**SEC. 33.—Satisfaction of Lien by Sale:** A warehouseman's lien for a claim which has become due may be satisfied as follows:

The warehouseman shall give a written notice to the person on whose account the goods are held, and to any other person known by the warehouseman to claim an interest in the goods. Such notice shall be given by delivery in person or by registered letter, addressed to the last known place of business or abode of the person to be notified. The notice shall contain:

(a) An itemized statement of the warehouseman's claim showing the sum due at the time of the notice and the date or dates when it became due,

(b) A brief description of the goods against which the lien exists.

(c) A demand that the amount of the claim as stated in the notice, and of such further claim as shall accrue, shall be paid on or before a (day mentioned, if it is personally delivered or from the time the notice) should reach its destination, according to the due course of post, if the notice is sent by mail, and,

(d) A statement that unless the claim is paid within the specified time, the goods will be advertised for sale and sold by auction at a special time and place.

In accordance with the terms of a notice so given, a sale of the goods by auction may be had to satisfy any valid claim of the warehouseman for which he has a lien on the goods. The sale shall be had in the place where the lien was acquired, or if such place is manifestly unsuitable for the purpose, at the nearest suitable place. After the time for the payment of the claim specified in the notice to the depositor has elapsed, and advertisement of the sale, describing the goods to be sold, and stating the name of the owner or person on whose account the goods are held, and the time and place of the sale, shall be published once a week for two consecutive weeks in a newspaper published in the place where such sale is to be held. The sale shall not be held less than fifteen days from the time of the first publication. If there is no newspaper published in such place, the advertisement shall be posted at least ten days before such sale in not less than six conspicuous places therein.

From the proceeds of such sale the warehouseman shall satisfy his lien, including the reasonable charges of notice, advertisement, and sale. The balance, if any, of such proceeds shall be held by the warehouseman, and delivered on demand to the person to whom he would have been bound to deliver or justified in delivering the goods.

At any time before the goods at sale are so sold any person claiming a right of property or possession therein may pay the warehouseman the amount necessary to satisfy his lien and to pay the reasonable expense and liabilities

(Concluded on page 40)



# FROM THE LEGAL VIEWPOINT

By Leo T. Parker

## Receipt and Lapse of Time

**I**N *Williams v. Flag Storage Warehouse Co. et al.*, 220 N. Y. S. 124, it was disclosed that on Feb. 6, 1914, Ella B. De Lima delivered to the Flag Storage Warehouse Co., a corporation engaged in a general storage business, certain bags of coffee, and received therefor a receipt in the following language:

### Negotiable Receipt

Flagg Storage Warehouse Company  
No. 104 Syracuse, N. Y., 2-6-1914  
This is to certify that we have received and hold on storage the following described merchandise, and will deliver same to Ella B. De Lima or order upon the surrender of this receipt properly indorsed and on payment of storage and other charges and advances as indicated below. Storage from January, 1914.  
Marks..... Packages.....  
Merchandise..... Location.....  
Fifty-five (55)..... Bag Coffee.....  
.....  
Storage..... Per Month.....  
Labor..... Official Seal of  
Freight..... American Warehousemen's  
Cartage..... Association  
..... Robert Flagg,  
Insurance..... Treasurer  
Cooperage..... Particular deliveries noted  
..... on the back of this receipt.

At the date of this receipt, Ella De Lima, the holder of the receipt, owed a Mr. Williams \$1,200. Immediately after Ella De Lima received the warehouse receipt, she indorsed it in blank and delivered it to Mr. Williams, as collateral for the \$1,200, without notifying the warehouseman.

Sometime afterward Ella De Lima represented to the storage warehouse company that she was still the owner of the warehouse receipt, and that it was in her possession, and further represented that she would return the receipt to the warehouse company. Relying upon these representations that she was still the owner of the warehouse receipt for 55 bags of coffee and that the receipt was still in her possession, the storage warehouse company delivered the coffee to her.

The peculiar point of the law in this case is that, more than ten years after the receipt was issued, Mr. Williams presented it to the warehouse company and requested delivery of the coffee. The warehouse company explained the circumstances under which the coffee had been delivered to Ella De Lima many years previously. However, Mr. Williams filed suit to recover the value of the merchandise represented by the receipt in his possession.

The counsel for the warehouseman contended that the warehouseman was not liable, as the State statute provided that a suit on a contract obligation, ex-

pressed or implied, must be filed within six years.

However, the Court held the warehouseman liable, and said:

"The warehouse company is sued for breach of contract for failure to deliver the coffee in suit according to the terms of the warehouse receipt, and the said warehouse company answers that it delivered the coffee to De Lima without in any way connecting the plaintiff (Mr. Williams) with such delivery. . . . The warehouse company alleges that the plaintiff failed and neglected to present the warehouse receipt set forth and described in the complaint within a reasonable length of time from the date when it was issued and failed and neglected to make any demand . . . for the merchan-

der the corporate name of the "Farmers' Bonded Warehouse of Mena." The State Law provided that—

"The bond shall be that of a bonding and indemnity company authorized to do business in Arkansas, or may be a personal surety bond, and in the event of a personal surety bond it shall be approved by the board of supervisors of warehouses and shall be renewed each year."

Among other conditions of the bond is that the corporation will exercise ordinary care in the storing or sale, or both, of the commodities placed in the warehouse by the patrons thereof.

After more than a year had elapsed since the execution and signature of the bond, certain stored goods were stolen from the warehouse.

It was contended that as the goods had been stolen more than one year after the execution of the bond, the sureties were relieved of liability.

It is interesting to observe that the Supreme Court held the sureties not liable for the value of the goods; and, in explaining the law, quoted:

"Of course, in the absence of a statute expressly providing for a bond and its terms and conditions, the parties could have made a common-law bond which would bind the sureties for any term or period or length of time specified therein with reasonable certainty. But here we have a bond which contains no specific provision with reference to time, and therefore it must be conclusively presumed that the parties intended to contract for a valid period of service, which was merely during the lifetime of the certificate. . . . The surety is only bound by the conditions which apply while the bond is in effect.

"So, here, the sureties on the bond of the warehouse were liable for any loss covered by the bond during the period when the bond was in force . . . but the sureties were not liable beyond that time."

In *Anderson v. Krueger et al.*, 212 N. W. 198, it was held that a surety is not relieved of liability simply because the warehouseman fails to issue the required receipts. The Court said:

"The surety company thereby made itself responsible for the performance by the warehouseman of all the duties and obligations imposed upon him by the statute; and, if he failed to perform any such duty . . . the surety company became liable therefor. Where the warehouseman . . . refuses to return or pay for it, the fact that he failed to issue the receipt, which the statute required him to issue on receiving it, is not available to the surety as a defense against

## What Don't You Know?

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disse described in said warehouse receipt within a reasonable length of time. . . . In the instant case nothing in this regard is presented except the fact of the lapse of time. . . . The right of the plaintiff to present the warehouse receipt and demand the goods stored was a continuing right, against which no statute of limitations ran."

Therefore, it is quite apparent that a warehouse receipt remains effective against the warehouseman irrespective of the lapse of time between the dates of issuance and presentation.

Another important point of the law decided in this case is the methods adopted by the Courts in arriving at the value of goods, the original selling price of which was unknown, as the goods were not obtainable for examination.

The Court held that the value of such merchandise is based upon the cheapest valuation in consideration of the oral testimony.

In *Bolen v. Farmers Bonded Warehouse*, 291 S. W. 62, it was disclosed that a bonded warehouse was organized un-

an action on the bond. The obligation of the surety covers the duty of the warehouseman to issue the prescribed receipt, as well as the other duties imposed upon him by the statute."

#### "Negligent Language"

IN the case of *International Products Co. v. Erie R. Co.*, 155 N. E. 662, the litigation involved a consignee of an ocean shipment of goods. He was an importer selling the goods received to other customers. Consequently it was necessary that such goods should be stored until resold, either in ordinary warehouses or in one maintained by some carrier, who might in turn send them over its lines to the ultimate consumer.

Arrangements were made with a common carrier to store the merchandise in its warehouse until shipments at various points were ordered. The importer, for the purpose of obtaining insurance, after the arrival of the goods inquired where they would be stored.

The carrier, taking time to obtain the required information, replied they were docked at dock F, Weehawken. From this reply the importer and consignee of the goods had the right to infer that the goods were already received and stored. He immediately thereafter obtained its insurance, giving the same information to the insurance company.

However it was later disclosed that the answer was erroneous. In fact, the goods were not received from the steamship by the carrier until after receiving the reply. One-half of the goods were in fact stored when they arrived, not on dock F, but on dock D. Both docks belonged to the carrier. At a later date dock D with the goods stored thereon was destroyed by fire.

The insurance company refused to pay the importer the insurance money because of the misdescription in the policy of the location of the goods.

The importer sued the carrier warehouseman for the value of the destroyed goods; and, in holding the carrier liable, the Court said:

"We come to the vexed question of liability for negligent language. In England the rule is fixed. 'Generally speaking, there is no such thing as liability for negligence in word as distinguished from act.' . . . But although what was said was not necessary to the decision, the law is clearly to the effect 'that no cause of action in maintainable for a mere statement, although untrue, and although acted upon the damage of the person to whom the statement is made, unless the statement be false to the knowledge of the person making it.' . . . In New York we are already committed to the American as distinguished from the English rule. In some cases a negligent statement may be the basis for a recovery of damages. . . . A bailee, negligently misstating to the bailor where his goods are stored, knowing the inquiry is made for insurance purposes, is liable for the resulting loss."

Therefore the law is well established that a keeper of property is liable in

damages where the owner is caused injury as a result of misinformation given the owner by the keeper, particularly where the owner relies upon the truthfulness of the keeper's statement.

The exact cause of the damage is unimportant, but for the warehouseman to be liable convincing testimony must be introduced to show that the misstatement was relied upon by the owner.

In commenting on this point, the Court said:

"Finally, the relationship of the parties, arising out of contract or otherwise, must be such that in morals and good conscience the one has the right to rely upon the other for information, and the other giving the information owes a duty to give it with care. . . . An inquiry made of a stranger is one thing; of a person with whom the inquirer has entered, or is about to enter, into a contract concerning the goods which are, or are to be, its subject, is another. Even here the inquiry must be made as the basis of independent action. . . . But in a proper case we hold that words negligently spoken may justify the recovery of the proximate damages caused by faith in their accuracy."

"When such a relationship as we have referred to exists may not be precisely defined. All that may be stated is the general rule. In view of the complexity of modern business, each case must be decided on the peculiar facts presented."

#### A Paid Keeper and Loss

IN *Moon v. First Nat. Bank of Benson*, 135 Atl. 114, the Supreme Court of Pennsylvania pointed out the legal methods of determining whether a paid keeper of goods, such as a warehouseman, is liable for the loss or injury to the merchandise. This Court said:

"The contract between the parties was a bailment for hire, and, consequently, for the mutual benefit of both. . . . In such case there is an implied contract that the bailee will take reasonable and ordinary care of property the subject-matter of the bailment. . . . What constitutes ordinary care or diligence necessarily varies with the circumstances under which the bailment is made, the nature of the subject-matter, the business in which the bailee is engaged, the usages of that particular industry, and is necessarily a question for the jury."

In *Hole v. Beley*, 290 S. W. 994, the Supreme Court of Tennessee held that the holder of warehouse receipts, which were not indorsed by the person to whose order the goods were legally deliverable, has no better title than the latter person.

#### Liability for Freight Charges

LEGAL EDITOR, *Distribution and Warehousing*: During May, 1926, we removed from a residence of a party his household effects, furniture, etc., which we crated and shipped to Lakeland, Fla. To insure collection we forwarded shipment, "To order notify, sight draft against B/L."

After a period of approximately ten days the bank of Florida notified us that

party refused to accept draft, giving no reason. We immediately tried to communicate with party to whom goods belonged but could get no reply to our communications. Finally we were advised that the party to whom the furniture belonged could not pick up the draft.

During the interim we had been in communication with the railroad company at various times, advising them we were doing all possible to have the party accept the goods and were in hopes of shortly having him accept them, thereby reimbursing them for their freight charges. Finally these goods were sold by the railroad company and we are not in receipt of freight bill covering freight and demurrage. The railroad company advised us we are legally responsible for these charges, as we are the shippers.

What we are particularly interested in is, are we responsible for these charges when merely acting as a shipper for goods belonging to another party? The only interest we had in the matter was the amount due us for the crating and packing.—*McNally Bros., Inc.*

Answer: I am very sorry indeed to advise you that it has been held that a consignor is primarily liable for the freight charges where a consignee fails to accept the shipment. *Woodster v. Tarr*, 8 Allen (Mass.) 270. Moreover, where a carrier receives goods for shipment with provision on bill of lading that consignee is to pay the freight charges, still the consignor is liable if the consignee fails to accept the shipment (87 S. E. 376). If, however, it can be conclusively proved that the carrier accepted the shipment *agreeing*, expressly or impliedly, that it would collect the charges from the consignee, then the consignor may be relieved of the liability.

The owner is liable to you. Why did not the carrier apply the sale price of the goods to the charges? They should have done this.

#### Who Pays Here?

LEGAL EDITOR, *Distribution and Warehousing*: We would like to be informed as to the legal form and procedure to be taken on the following case:

We delivered several loads of furniture to a warehouse and billed against the warehouse for the sum of \$100 for cartage, packing, etc. This storage house man holds my bill for the past fourteen months and says he will not pay the same on goods unless the owner of the goods settles for the same. The goods are now to be auctioned off for the storage charges. He claims if any money is left after his expenses, he will settle our bill.

Kindly advise if we have any claim or can collect on this goods.—*Freeport and Roosevelt.*

Answer: If the warehouseman ordered you to transport and pack the goods, he is personally liable to you, irrespective of whether the owner agrees to pay. If, however, the owner himself ordered the work, your lien is lost after permitting the goods to leave your hands, except

that you may receive money from the sale after the warehouseman receives his charges.

On the other hand, if you acted as a *bona fide* common carrier with knowledge of both the owner and the warehouseman, you may collect your charges.

#### Common Carrier Rulings

IN view of the fact that the liability of a carrier for the loss of merchandise depends to a great extent on whether he is a *common carrier*, the decision in the recent case of *State v. Smith*, 252 Pa. 1011, is important to persons who utilize motor trucks in the transportation of merchandise.

In this case a State law was enacted which provided for the supervising and conduction of freight over the public highway.

In holding that the law is not effective in converting a private carrier into a common carrier, the Court said:

"If it be held that the Legislature intended to confer on the corporation commission the power to forbid the use of the public highways of the State to private carriers of freight . . . until and unless such 'private carrier submit to the conditions of becoming a common carrier and of being regulated as such by the railroad commission,' the law would be unconstitutional. In other words, if the legislation be construed as an attempt to convert a private carrier into a public carrier by the requirement that he first obtained from the corporation commission a certificate of convenience and necessity and conform to the regulations applicable to a common carrier before he may use the public highways, it will amount to a deprivation of his property without due process of law. The Legislature cannot by fiat convert a private carrier into a common carrier."

The Court in the case of *Trescott Transfer Co. v. Sawyer*, 136 S. E. 481, held that where persons have been put to expense in buying motor trucks and other equipment to transport merchandise over a regular route, a certificate will not be granted to permit another to operate over the same route so long as the first holder of the certificate is adequately serving the public.

In refusing to grant a certificate to another operator the Court said that the chief highway commissioner "issued certificates to other parties who complied with all of the rules and regulations of the highway department, and bought cars, trucks, etc., and are operating. These parties have been put to expense, and have rights; as long as they reasonably serve the public, they should not be interfered with. If their service is to be paralleled and jeopardized, then the very object of the act of the Legislature would be defeated, for it contemplates regulating service between certain points."

In *State v. McLemore*, 290 S. W. 386, the Court held that owners of transportation motor vehicles used to transport freight between fixed termini were not subject to the State law requiring motor vehicles for hire to carry insurance.

In *Lyon v. Norfolk & W. Ry. Co.*, 136 S. E. 694, the Court explained the requirements for a shipper to recover the value of goods damaged in transit, as follows:

"The rule is well settled that, if goods are delivered to a carrier in good condition and arrive at their destination in a damaged condition, a *prima facie* case of liability is made out, and the carrier of them is bound to prove that the damage did not arise from its negligence. This rule cannot be invoked, however, until the shipper proves both delivery to the carrier in good condition and delivery by the carrier in a damaged condition."

In *Wood v. Illinois Central*, 240 Ill. App. 6, it was held that where goods are damaged in transit, the common-law requires proof that the damage occurred on the initial company's line.

In *Dalziel v. Oregon-Washington R. & Nav. Co.*, 219 N. Y. S. 727, the Court explained this phase of the law, as follows:

"He (the initial carrier) can make any proper defense which may be made in a Court of law, and which any other connecting carrier might make, wherever the goods are transported, or wherever the loss or injury occurred. If the loss occurred from the act of God or from the country's enemies . . . or was otherwise capable of defense, this railroad would have the privilege of making such defense here."

#### Bailment Decisions

THE United States Circuit Court of Appeals, in *Firestone Tire & Rubber Co. v. Cross*, 17 F. (2nd) 417, defined bailment as follows:

"Bailment is the delivery of goods for some purpose, upon a contract expressed or implied, that after the purpose has been fulfilled they shall be redelivered to the bailor, or otherwise dealt with according to his directions, or kept until he reclaims them."

And in 17 F. (2nd) 413, the Court held:

"It is well settled that a bailment merely transfers the possession of the property, the absolute title of which is retained by the owner, who has the right to dispose of the same as he may see fit. . . . It is an essential element of a bailment that the entire title is reserved to the bailor (owner). The fact that title does not accompany possession is an essential characteristic of bailments, distinguishing them from sales."

In *Judge v. Starr*, 136 Atl. 413, the Court held that where chattels, as personal property, are delivered to a bailee (keeper) in good condition and are returned to the owner in damaged condition, the law will presume that the negligence of the keeper caused the damage. Therefore, the keeper is bound to prove that his negligence was not the proximate or direct cause of the injury; otherwise he is liable for the resultant damages.

In *Honig v. Riley*, 155 N. E. 65, the highest Court in New York reversed the verdict of the lower Court regarding the meaning of a State law which provides

that a keeper of goods shall "in no event be liable beyond one hundred dollars, unless such loss occurs through his fault or negligence."

The statute provides further that unless the owner receives a receipt stating the full value of the stored goods, the keeper's liability shall be limited to \$75.

The lower Court held the keeper liable for the full value of the stolen goods, irrespective of the statute, but the highest Court reversed the verdict and stated that, as the owner had failed to obtain a receipt containing a full representation of the value of the goods, he automatically relinquished his right to hold the keeper liable for a greater amount than \$75.

#### Injury Decisions

IN *Moress v. Murphy Transfer and Storage Co.*, 211 N. W. 950, a motor truck operator was held not liable for damages as a result of injuries received by a pedestrian who was struck by the truck. In this case it was disclosed that the transfer company hired its truck and driver to another firm. In commenting upon the law the Court said:

"Where a driver and vehicle are hired to, and placed under the exclusive control of, the hirer, the latter and not the owner is liable for injuries resulting from the acts of the driver. . . . If the employee is given over unreservedly to the service and direction of another, it creates the relation of master and servant between him and the other."

In *Watson v. Lit Bros.*, 135 A. 631, the Court held a motor truck owner not liable for damages as a result of injuries sustained by a pedestrian who was struck by the truck while standing at a regular street car stopping place. This Court said:

"Deplorable as the accident was, its occurrence did not prove negligence and there was not sufficient evidence to fasten blame upon the truck driver. He was on an open street, far away from an intersection. It was daylight, although rainy, and, while people sometimes walked across therein going to or from the street car, it was not shown that the driver knew of such practice or anticipated that it might be so used at this time. . . . In the instant case, as there was no street car present, the rule as to the care required in passing a standing car has no application. Nothing was shown that required the driver to give warning of his approach. It would practically prevent the use of automobiles to require that they be driven at all times so they could be stopped instantly. . . . A pedestrian, however, who suddenly steps in front of a moving car, is negligent."

#### Tower to Displace Warehouse

On the site of the Manhattan Storage & Warehouse Co.'s old household goods depository, at Lexington Avenue and East Forty-second Street, New York City, will be erected a 52-story tower office building estimated to cost \$12,000,000 and to rise 625 feet above street level. The warehouse structure is now being demolished.



No. 28

Success

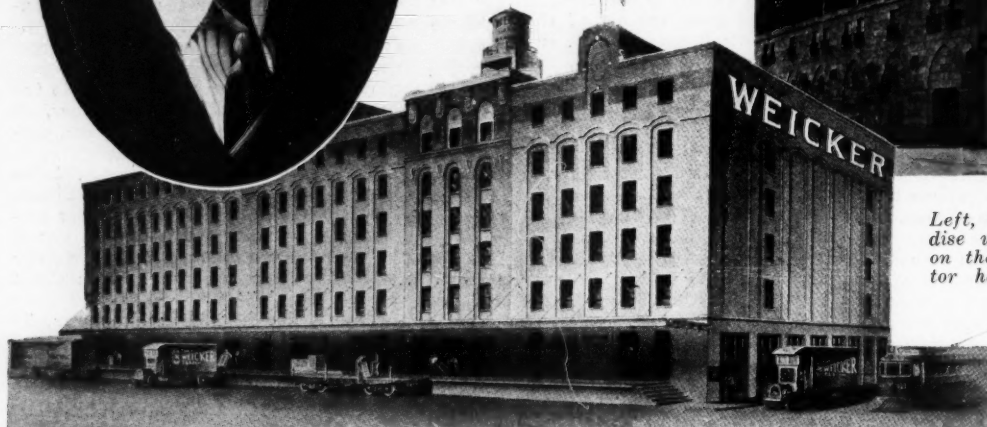
**R. V. Weicker**

By Willis H. Parker

**Let's Take the Old Family**

*In oval, R. V. Weicker, president of the Weicker Transfer & Storage Co., Denver*

*Right, the Weicker firm's household goods depository at Colfax and Vine*



*Left, the Weicker merchandise warehouse that stands on the spot where proprietor had his first meal in Denver*

**W**HEN R. V. Weicker, president of the Weicker Transfer & Storage Co., arrived in Denver one evening in September, 1888, it was supper time and demands for food led him to a little hotel situated at Fifteenth and Wynkoop Streets, near the railroad tracks and in proximity to the Union Station. Years later when he sought a location for his first fireproof warehouse he picked the spot where he ate his first Denver meal as being the best place in Denver for such a structure. It was good business, perhaps, that led him to patronize this little hotel the first hours in the new community, and it was good business judgment that led him to pick the same spot where years later he erected an enormous fireproof warehouse as a monument to himself and his business.

Mr. Weicker was about twenty years old when he came to Denver with a determination to own some day an express wagon and a couple of horses to pull it. He had no money, but he had an intense love for

horses, and it is said that he spent many of his boyhood days around livery stables where he could pet the animals, feed them and watch them at their work.

Perhaps it was the horses which led him to patronize the little hotel, for it was a sort of farmers' hang-out where there were accommodations for man and beast—food and drink and lodging provided by a livery stable, a mammoth corral, and a saloon beside the hotel.

Young Weicker spent none of his time sight-seeing after arriving in town, but the very next day sought a job in a livery stable. He got it, but it was with a company several blocks from his lodging house. He began to save his money; and, as soon as he had accumulated \$75 he purchased a horse and wagon, paying half down; took a stand on the corner of Sixteenth and Arapahoe Streets, where the post office was being built; and was ready to serve the public.

(Concluded on page 44)

Stories

# Album Out of Storage!

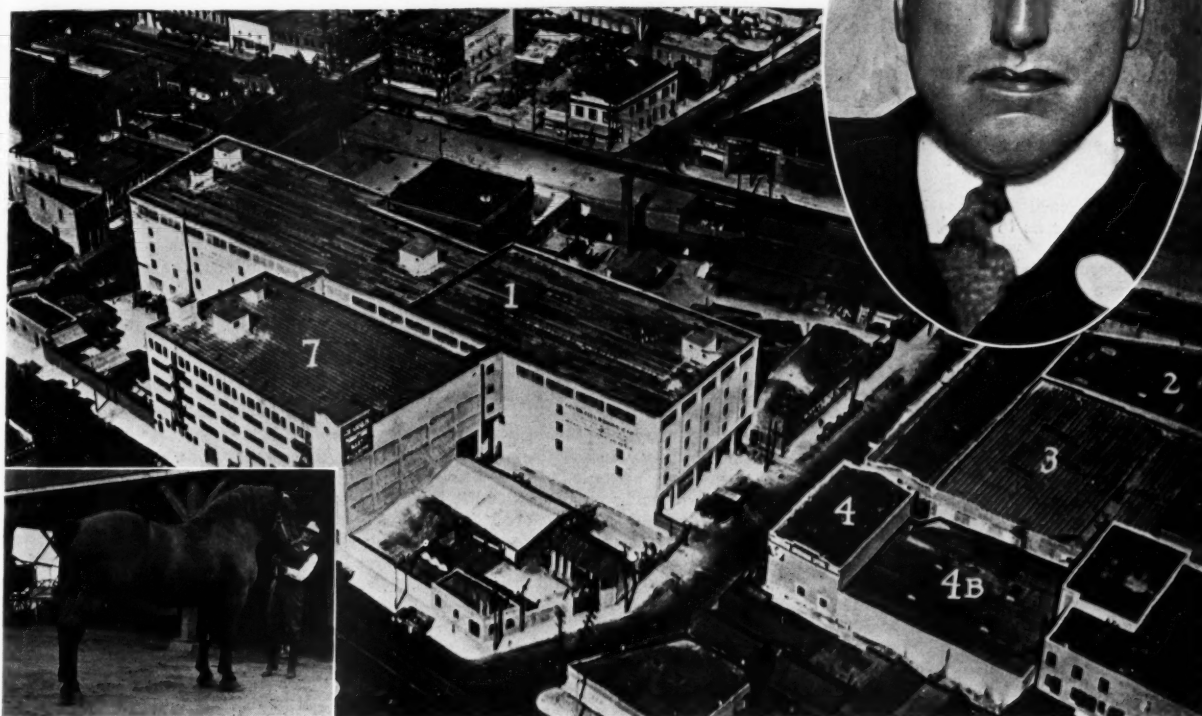
No. 29

## Fred H. Bixby

By E. F.

Group of the Los Angeles company's warehouses in the vicinity of Commercial and San Pedro Streets. The inset view, lower left, shows Mr. Bixby and one of his horses—this warehouseman has a big ranch at Long Beach and is nationally known as a breeder of live stock

In oval, Fred H. Bixby, president of the Los Angeles Warehouse Co., Los Angeles



“**L**OCATED within a stone's throw of the spot where the city was founded.” So reads a caption on some of the advertising literature issued by the Los Angeles Warehouse Co., of which Fred H. Bixby is president. It is a text that vividly suggests the odd blending of the old and new that is California.

The Los Angeles Warehouse Co. is comprised of a group of seven buildings. In front of them is San Pedro Street, name redolent of the leisurely perfumed days of the old Spanish missions. To the side is Commercial Street, representing the very essence of the spirit of today. Twenty years ago Mr. Bixby bought the property to establish a sales yard for horses from the Bixby ranch at Long Beach. Long

Beach occurs some ten miles out of Los Angeles.

Bill Perry, a pioneer lumber man, was the owner in those days, and an old mill standing on the plot was torn down and sold for junk. This lumber gave way to horses, just as horses in their turn gave place to motor vans—and all to pave the way for a furniture exhibit said to be the largest and most modern in southern California. Of which more anon.

After operating the sales yard at San Pedro and Commercial Streets for a time, Mr. Bixby became convinced that there was a rare opening for a warehouse in that district. Grasping the opportunity, he became associated with O. B. Fuller, E. W. Freeman and several others, and a building for storage soon

(Concluded on page 43)

# The \$-Mark and Garment Storage

By WILLIS H. PARKER

**B**ECAUSE the average person looks upon a storage warehouse as an expensive institution the Weicker Transfer & Storage Co., Denver, has undertaken a direct-by-mail advertising campaign featuring price in an effort to increase storage of winter clothing and get people to visit the company's Colfax and Vine Depository and familiarize themselves with the company's warehousing facilities.

The campaign is conducted by printed Government postal cards and is sent to a list of prospects obtained in a peculiar manner. Mailing lists as compiled and furnished by agencies in that business fail to include the class of people who are the most likely prospects, according to Erwin G. May, manager of the depository. The lists do not include all who are likely prospects or else include too many who aren't prospects.

"When a man lives in a good neighborhood and has a

main line residence telephone," says Mr. May, "it's a safe bet that he has more than one suit of clothes, his wife has a fur coat, and he has a number of garments that are too heavy for summer wear. He's a prospective customer for garment storage. Also it is quite likely he has an automobile and can drive to our depository and bring the garments with him."

Therefore the mailing list is compiled from the telephone directory and each name is selected and accepted only after it has been given due consideration as to the possibilities of producing business. This is a long-drawn-out task, no doubt, but the warehouse company employees are acquainted with the city, know where the best residence districts are, and are able to judge, from the addresses in the 'phone book, those which are in likely neighborhoods.

**T**HE postal card is constructed in such a manner as to hit the recipient directly in the eye with the price, \$1, with the words "Garment Storage" in equally large type. The remainder of the text gives the information that a suit or overcoat will be fumigated and stored for five months for the price of a dollar. "Each garment is fumigated for moth infestation by a special process, then placed in a paper cover and hung in an air-tight, mothproof vault."

As a bid for other demoting business the additional information is presented in smaller type—"Upholstered Furniture, Rugs, and Draperies Fumigated for Moth Infestation."

As many persons feel that commercial storage is costly, the price element is more than interesting and removes some of the fear of heavy expense in patronizing a storage warehouse. The psychological effect on the customer is, "Well, if it only costs a dollar to store my fur coat for nearly half a year, perhaps they won't charge outrageous prices on the storage of household goods."

To accept this offer the customer must bring the garment to the warehouse and call for it at the close of the storage season. This provides an opportunity to see the interior of the Depository and note the excellence of the building, thereby arousing the desire to give this firm storage business in the future whether it be an overcoat again or household furniture. Also it gives the employees an opportunity to talk to the visitors on the fumigation of over-stuffed furniture and the care with which all household goods and valuables are handled.

Five thousand cards were sent out during the month of May and the cost was nominal, as the postal cards were

carried through the mails for one cent each. The printing charge was small, and the work of selecting mailing list and dispatching cards was accomplished by the office force in spare moments.

There was another direct-by-mail series addressed to a different class of prospects and they went out about the same time that the postal cards did, or a little before. They were letters to three classes of businesses—furniture men and upholsterers; dealers in men's and women's ready to wear; and cleaners and dyers—and appealed for a definite class of business in connection with the moth devastation, and resulted in excellent results. Consider the letter to the cleaners and dyers:

"Again this year, as last, we are offering mothproof Garment Storage for

the five months' period, May 1 to Oct. 1. All garments received are first fumigated for moths by our guaranteed vault process, then placed in paper bags and hung on hangers.

"It was our experience last year that people prefer to have their garments cleaned before placing them in storage and then have them pressed before delivery in the fall. This service, of course, we are unable to render.

"No doubt among your customers there are some to whom this storage service would appeal if it were properly presented. Last year one enterprising cleaner, faced with the necessity of taking care of customers' clothing during the summer months, relieved himself of the risk by turning the garments over to us. Suits were first cleaned, then

## Garment Storage

A Suit or an Overcoat, Fumigated and Stored for Five Months.

[May 1st to Oct. 1st]

**\$1<sup>00</sup>**

Let Weicker protect your winter clothing! Each garment is fumigated for moth infestation by a special process, then placed in a paper cover and hung in an air-tight, mothproof vault.

Upholstered Furniture, Rugs, and Draperies Fumigated for Moth Infestation

MAIN 3288

MOVING  
STORING



**THE WEICKER**  
T. & S. CO.

PACKING  
SHIPPING

Colfax and Vine Depository

Text on postal card sent by Weicker Transfer & Storage Co., Denver, to likely prospects in the development of the firm's garment storage business



the whole question of  
profits narrows  
right down  
to this  
load



## Pioneers Blazed The Trail

Pioneers, the original furniture pads, are made of strong, soft cotton, corded into one batt and covered with tough, pliable Khaki drill, permanently held in place by the special Pioneer Zig-zag stitch that prevents shifting of filling.

Pioneers are scratch-proof, water-proof and practically wear-proof. A small investment in them will pay you well.

**V**OLUME isn't everything in business. You might say it is only a means to an end. The end is profit.

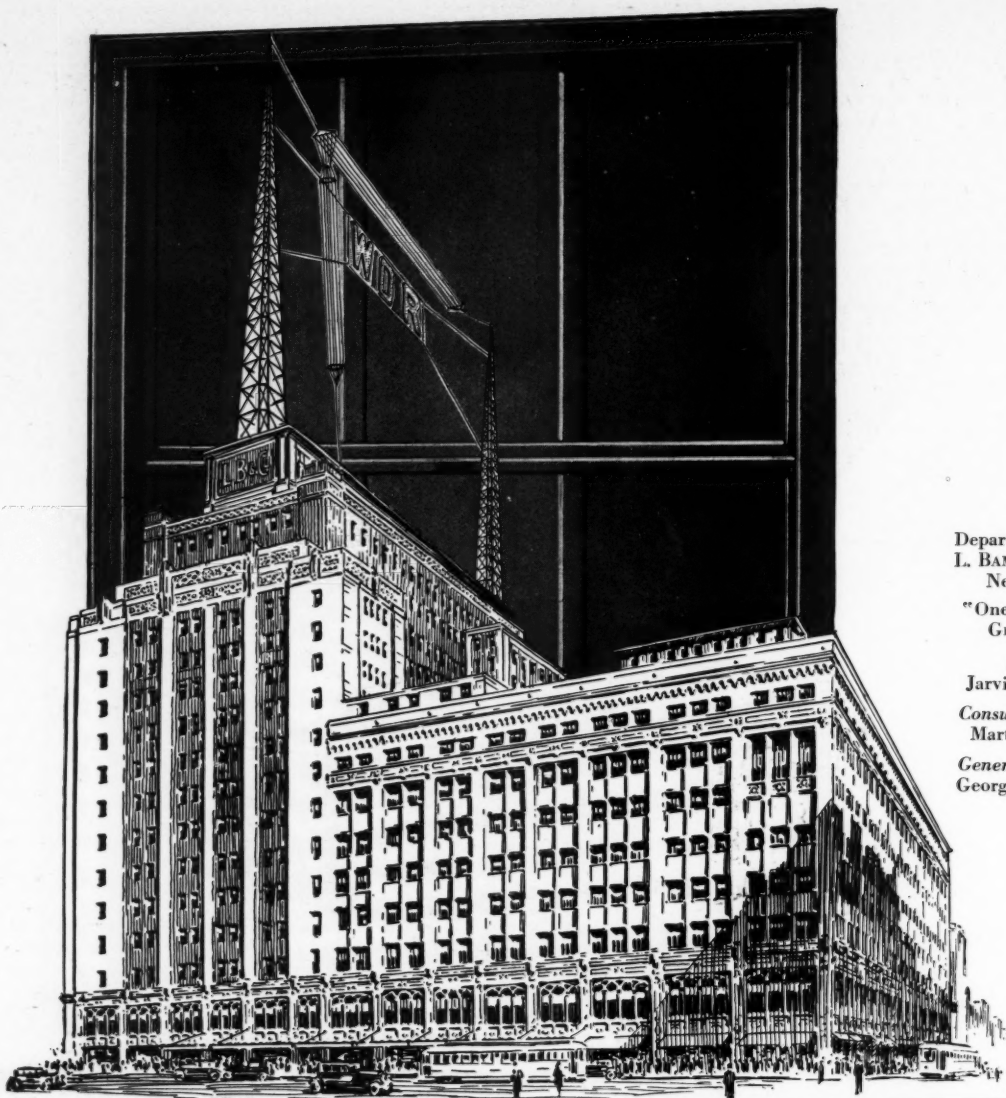
Every day's profit contributes to the financial success of your business. Every load of furniture you haul contributes to each day's profit.

So it narrows right down to that load you are hauling now. Will you get your full profit from it? Or will you lose part of it along the road because of a scratch—a break—a scar?

Pioneer Furniture pads will put you on the safe side; keep you out of disputes and adjustments with your customers, and keep your profit on the right side of the ledger. Movers in every state in the Union will verify that; and it is a significant fact that the most successful ones are the most consistent users of Pioneer pads. Write or wire. LOUISVILLE BEDDING COMPANY, Incorporated, MANUFACTURERS, Louisville, Kentucky.

# Pioneer Furniture Pads

• Prevent Damage • Save Loss •



Department Store of  
L. BAMBERGER & CO.,  
Newark, N. J.

"One of America's  
Great Stores"

*Architect*  
Jarvis Hunt & Co.

*Consulting Engineer*  
Martin C. Schwab

*General Contractors*  
George A. Fuller Co.

## The largest installation of motor-operated freight elevator doors in any department store

Again PEELE Freight Elevator Doors triumph! Again the merit of QUALITY rises above the question of price! 175 PEELE Doors will be installed in the new addition to the L. Bamberger & Company Department Store in Newark, New Jersey. 175 PEELE Doors varying from 6 feet in width to tremendous 20 foot wide doors . . . servicing 10 elevator shafts in addition to 3 dumb-waiters. These push-button, motor-operated PEELE Doors, in

conjunction with Otis micro-drive and push-button Elevators, were selected for their efficient, swift and economical service, so necessary to the modern merchandising establishment. Together they will insure the safe handling of all interior vertical traffic. It is the largest single installation of motor-operated Freight Elevator Doors in any Department Store. **C.** If the PEELE Catalog is not in your files . . . it will gladly be sent on request.

**THE PEELE COMPANY** , Stewart Avenue and Harrison Place, Brooklyn, N. Y.  
Boston - Chicago - Cleveland - Philadelphia and 30 other cities

In Canada: Otis-Fensom Elevator Company, Ltd., Hamilton, Ont.

# PEELLE Freight Elevator DOORS

~ "The doorway of America's freight elevator traffic" ~

folded in an ordinary paper suit box, the edges of which he sealed with gummed tape, and then turned over to us. We charged him \$1 for storing the box and he charged the customer \$1 per suit. Since there were two suits in the box, he doubled his money on the transactions besides relieving himself of the risk.

"Why not give this scheme a trial? In addition to making a nice little profit, you will be offering your customers a special service which heretofore they may not have enjoyed.

"Our charge for this service is 1½ per cent for valuations of \$100 or over, with a minimum charge of \$1.

"P. S. We are also offering guaranteed fumigation service for moth extermination from upholstered furniture, rugs and drapes."

The letter to the 100 furniture and ten upholstery concerns in the city speaks of the devastating work of the clothes moth in upholstered furniture, which is just as perplexing to the dealer as it is to the housewife; explains the method Weickers follows to exterminate the pests; and concludes with:

"The cost of this fumigating service is surprisingly reasonable and customers whose furniture may be moth-infested are always glad to know that a successful remedy is available. We will gladly furnish prices upon request and allow you a liberal discount on any goods which you bring to us."

The letter to the dealers in men's and women's clothing and merchants in bolt goods speaks of the difficulties that such merchants are frequently confronted with in connection with moths in gar-

ments and bolt goods carried over the season, and outlines the Weicker company's facilities for fumigation and storage at a price so low that few merchants could afford to do without it.

Excellent results were obtained from the letters sent to the cleaners and dyers, for it was a cooperative measure wherein the cleaner had an opportunity to get additional business for himself by offering storage facilities generally not available through the cleaning and dyeing establishment.

The other letters pulled well, too. And in all instances the prices quoted were f.o.b. the warehouse. Unless arrangements were made for delivery by the warehouse company the customer had to deliver the goods himself to take advantage of the price.

## *Distribution of Cold Storage Products by Motor Truck Is Now a Reality in California Heat Belt*

LONG distance hauling and distribution by cold-storage motor trucks has become a reality for the first time in the United States through the operations of the Golden Gate Motor Transportation Co., San Francisco. This corporation, a subsidiary of the Golden Gate Ferry Co., is operating successfully two refrigerated motor trucks, each with a trailer, on twelve-hour schedules, as far north as Redding and as far south as Merced. The routes of these truck-trains are through what is known as the "heat belt" of northern and central California, where, hitherto, eggs, butter, veal, fresh fruits, vegetables and similar perishables were limited in shipment to refrigerated express or freight cars, on far slower schedules than the new method has established.

The greatest distance hauled is 215 miles, but so immediate has been the response by shippers to the new service that it is to be extended to Fresno, in the heart of the San Joaquin Valley, on the south, and to San Jose and other

points in the fruit belt of the Santa Clara Valley, on the west. Each truck and trailer has a capacity of twenty-one tons, and cargoes greater than this amount have been offered on every trip in to San Francisco from the twenty or more communities through which the lines pass.

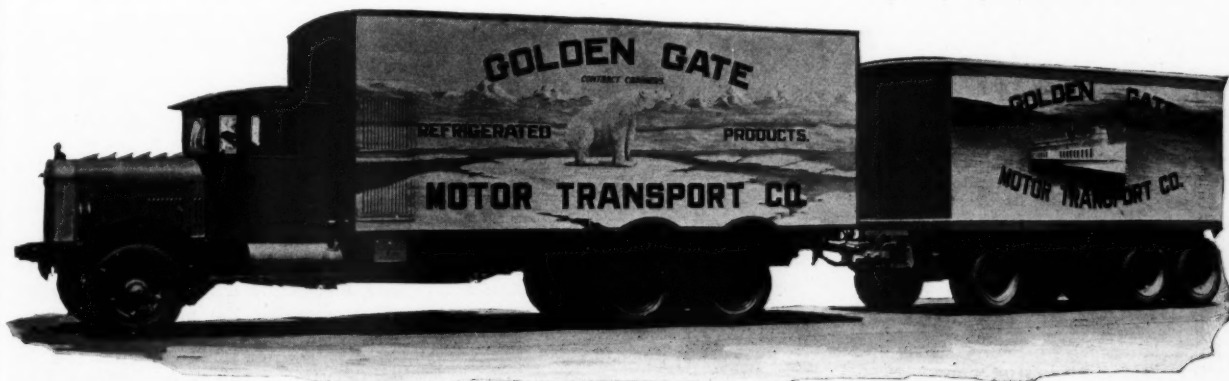
Perishable farm products are hauled into San Francisco, and general merchandise taken back to the towns in the Sacramento and San Joaquin Valleys. On the northern route the trucks are carried on the automobile steamers of the Monticello Steamship Co., between San Francisco and Vallejo, the Monticello concern also being owned by the Golden Gate Ferry Co., which has been in successful operation of automobile ferries on San Francisco Bay for some years.

The two trucks now in use, and others being built, were especially designed and constructed by the Fageol Motors Co., Oakland. They are 10-66, 6-cylinder, 6-wheel, 10-ton trucks, equipped with 120-horsepower Waukesha Ri-

cardo-head motors. The trailers, which are almost as large as the trucks, also are of the 6-wheel type, designed and built by the Reliance Truck & Trailer Co., Inc. Westinghouse airbrakes operate from the driver's seat on both truck and trailer with compressed air. Light for the interior and exterior of both truck and trailer and current for the motor of the Kelvinator refrigerating plant are furnished by an independent gasoline engine plant.

This auxiliary power plant, with the refrigeration unit, occupies a narrow space directly back of the driver's seat on the truck, and is automatic in operation. The bodies of truck and trailer, which are built like huge vans, are floored, walled and ceilinged with 6 inches of insulating material. Temperature is automatically maintained inside at 34 degrees. So long as this temperature is kept up, a green light glows alongside the driver's seat, but either increase or decrease in the interior temperature is called immediately to his attention by a

(Concluded on page 42)



Cold storage van and trailer forming one of the two-sister units operated by the Golden Gate Motor Transportation Co., San Francisco. Capacity of van and trailer is 21 tons, and the greatest distance traveled through the heat belt of California is 215 miles. Fageol trucks and Reliance trailers are used. A third unit is under construction, and each unit represents an investment of \$13,000



Adventures of Liela,  
Nella and Zella—

Vol. VIII. No. 3

## TWO BITS

—are published exclu-  
sively in "Two Bits."

A Bit Here, A Bit There

Gotham, September, 1927

## Our Moth Dept.

THE serious task to which Ye Ed. some time ago dedicated ourself—that of ascertaining when & where the convention of the National Association for the Protection of Moths in Storage is to be held, so we could warn the storagers' industry about same—has encountered another stumbling-block during the past mo., so we got to beg the storagers' indulgence until we get this & a previous block removed.

As the storagers' industry is aware of, *Two Bits* retained 3 detective-ladies—Biselliella, Pellionella & Tapetzella—to do gum-shoeing for us (& on be½ of the storagers) to find out about the N.A.P.M.S. convention.

In June Liela slipped & fell into a bottle of paradichlorobenzene & got her wings so wet she couldn't fly for some weeks, thereby delaying the inquiry.

In July we took Nella to the National Furniture Storagers' Association's convention at Mackinac Isl., Mich., with us. Nella was out in the meadows vamping *Heterocera Dermestidae*, the executive secretary of the N.A.P.M.S. (who had gone to Mackinac to spy on the storagers' convention), when along came Prof. Hezekiah Snoopjump, the noted scientist of Wiquitiquock, Conn., & mistaking Nella for a beautiful butterfly, scooped both Nella & Het up in his net, & at last reports Nella & Het were still among the professor's specimens. Well, you can readily see how that further delayed our inquiry.

& what happened in Aug.? We will tell you.

This time it is Zella who has become a victim of circumstances, & thus is our noble & meritorious investigation even further tangled.

Like we announced in the Aug. *Two Bits*, we decided to despatch Liela & Zella to Mackinac with instructions to rescue, if they could, the unfortunate Nella from the clutches of the Wiquitiquock scientist.

Our plan was to have Liela & Zella esconce themselves in a load of h.h.g. destined for some place in Michigan. Arriving there, they was to fly to Mackinac.

Well, Liela & Zella reasoned that they would, like as not, attract less attention to themselves if they traveled separately—that is, in 2 shipments of h.h.g. instead of 1.

So we 'phoned Herb Bragg, the Trans-Continental agent in Gotham, & Herb arranged for us to have Liela esconce herself in a shipment to Grand Rapids & Zella in a shipment to Detroit—on their promise not to chew any of the

h.h.g. en route. Herb made us put on a bond, on a/c he said frankly he didn't trust Liela & Zella to keep their promise. So we put up the bond, & Herb gave us the freight car nos., & we gave the nos. to Liela & Zella & told them where the cars was spotted, & everything seemed to be all set.

## Proof

WE got a letter from a storager inquiring whether Biselliella, Pellionella and Tapetzella, our three detective-ladies, are real characters or fictitious. In reply to the insinuation that Liela, Nella and Zella are non-existent, all we will do is to quote from the *Bekins Busy Bee*, the official organ of the Bekins Van & Storage Co., the Pacific Coast storagers. Writing in the *Bee*, C. A. Bekins describes our three heroines as follows:

"Pellionella—(Latin—the furrier) attacking cloths, wools, furs, etc.

"Biselliella—which devours hair, feathers, lining of chairs, mattresses, sofas, etc.

"Tapetzella—or tapestry moths. feeding on carpets, rugs, and hanging tapestry of all kinds."

The foregoing is what you might call moth proof, in fact.

## Our Poetry Dept.

LITTLE does the distrib'n world suspect that John Simon, the Peoria, Ill., steel man who is prexy of the Nat'l Distributors' Assoc'n, is a verse-mfr of no mean metre. Not long ago Andy Murray, *Two Bit's* business mgr, sent John a yellow subscript'n-renewal card for Andy's paper called *Distribution and Warehousing*, & here was John's reply:

How dear to my heart is your yellow reminder  
That reaches my desk on May 1st of each year.  
I'll send you my check & do it quite gladly.  
'Twill cast round your office a halo of cheer.

I'll never say "Stop" it—I cannot afford it—  
I'm getting more papers than now I can read.  
But always say "Send it! I always will like it—  
In fact, I'm convinced it's a help & a need."

It costs me two dollars but I can afford it—  
The contents are worth it and worth a lot more.  
So here, Andy Murray, is proof that I like it:  
My check for two dollars—the same as before.

As indicated in the accompanying "box" based on something that was published in the *Bekins Busy Bee*, Zella is fond of tapestry.

When the 2 detective-ladies got to the freight depot in Gotham they correctly identified the cars they was to travel in, & without delay Liela esconced herself in a woolen sweater in some h.h.g. destined for Grand Rapids.

But in the car destined for Detroit there was, unfortunately enough, no tapestry in the h.h.g. shipments which Herb had picked out for Zella to travel in.

So Zella flew about in the r.r. freight yards, a bit dissatisfied with Herb's arrangements, & finally she located a car loaded with a h.h.g. shipment containing some tapestry. On the outside of the car it said "Michigan Central," so Zella figured that the car would go to somewhere in central Michigan & that she would land even nearer to Mackinac than if she esconced herself in the h.h.g. shipment picked out for her by Herb. So what did that dumb-bell detective-lady do but esconce herself among the tapestry in the Michigan Central car?

Well, the car which said "Michigan Central" on it was not bound for Michigan at all, we learned later from Herb. It contained a carload lot of tapestry, sealed under lock & key, destined for Hollywood, Calif., to be hung in a movie scene.

So the last we heard of Zella she was Hollywood-bound. Liela was still en route to Mackinac via Grand Rapids. Nella was a captive at Mackinac, along with Het.

It is not, therefore, Ye Ed.'s fault that our plans to find out where the N.A.P.M.S. convention is to be held have been delayed. All we can do is to ask all storagers to be patient until our 3 gum-shoesses are again available to do detective duty.

Frankly, however, Zella's going to Hollywood is a trifle disturbing. The fact is that before entering the detective business Zella used to be in the movies. Zella was a star in the moth scene in "McFadden's Flats"—the scene in which moths flew out of a dress suit which had been in storage since Dewey captured Manila in the war with Spain. Zella got a lot of favorable press notices for her acting in that scene, & the only reason she quit the movies later was because a romance in which she was engaged in got shattered & she turned to the detective business to distract her mind & forget her sorrow.

But now we are fearful of what may happen when that Michigan Central car is unlocked in Hollywood & Zella finds

## New York Furniture Warehousemen's Association Will Celebrate, on October 11, Its Thirtieth Birthday

THE trade body which has sometimes been called "the mother" of all of America's household goods storage organizations—the New York Furniture Warehousemen's Association—will reach the ripe old age of three decades on October 14. The New York F. W. A. proposes to celebrate, on the evening of Oct. 11, its thirtieth birthday. It will hold a banquet and an entertainment, combined with dancing, in the Hotel Pennsylvania, and invitations to attend are being broadcast by the secretary, William T. Bostwick, to furniture storage executives throughout the country. An attendance of several hundred persons is anticipated.

Of the small group of warehousemen who assembled at the offices of the Lincoln Safe Deposit Co. on Oct. 14, 1897, to form the temporary organization which became a permanent one the following January, only two are alive today. These two survivors—Walter C. Reid and Charles R. Saul—will be the principal guests of honor at the affair to be held next month. Mr. Reid is vice-president and general manager of the Lincoln company and Mr. Saul is president of the Columbia Storage Warehouse. Late in August Mr. Reid was at Battle Creek, Mich., convalescing from a nervous shock, but it was expected that he would be sufficiently recovered to be in New York again in October.

The association's entertainment committee—chairman, William E. Cramer, secretary of the Bowling Green Storage & Van Co.; Herbert N. Bragg, New York manager of the Trans-Continental Freight Co., and Benjamin F. Brockway, secretary of Dunham & Reid, Inc.—met at the Pennsylvania on Aug. 25 and made tentative arrangements, which will be perfected in time for announcement to be made at the association's monthly meeting in September. The dining and dancing will go on concurrently, followed by addresses and an entertainment. The evening's speaker will be the Rev. Dr. Raymond L. Forman, a Methodist-Episcopal clergyman who has a reputation for oratory and wit. Gifts will be presented to Mr. Reid and Mr. Saul, and there will be souvenirs for the ladies attending.

The N. Y. F. W. A., the president of which is now Ernest H. Milligan, vice-president, treasurer and

operating executive of Lee Brothers, Inc., elected as its first executive officer J. H. Jones of the Union Transfer & Storage Co. The charter member companies were the Lincoln, Columbia and Union firms and the Washington Storage Warehouse & Van Co. (since absorbed by Lee Brothers, Inc.), the Brooklyn Warehouse & Storage Co., Morgan & Brother, Globe Storage Warehouses (now Day & Meyer, Murray & Young, Inc.); and four companies not now in existence—New York Fireproof Storage Warehouses, New York Storage Warehouse Co., Haeger Warehouses and Hetherington Storage Warehouses.

The association's first secretary was Mr. Reid, at that time secretary of the American Warehousemen's Association and head of the American's household goods division, since discontinued.

"It had been planned to hold annual conventions only," Mr. Reid wrote for *Distribution and Warehousing* at the time of the twenty-fifth anniversary of the New York association, "but the demand arose for monthly meetings, which were begun in the summer of '98. The earliest activities centered on standardizing the warehouse receipt and on successful blocking of unfavorable legislation at Albany.

"A few years later the association began publication of monthly proceedings. These records attracted the attention of warehousemen elsewhere. Among the first to become associate members were Graham's Storage Warehouse Co., Baltimore; Lincoln Warehouse & Van Co., Chicago; Fidelity Storage & Warehouse Co., Chicago; the present Security Storage Co., Washington, D. C., and the present Boston Storage Warehouse Co.

"By the time the National Furniture Warehousemen's Association was organized, summer of 1920, the New York body had nearly 300 members. With the birth of the National, the local associations dropped their out-of-town members and today the N. Y. F. W. A. is represented by seventy-one companies, with several applications pending."

At various times the N. Y. F. W. A. has had as presidents J. H. Jones, William H. Wayne, Walter C. Reid, Charles R. Saul, Charles P. Corbit, F. L. Latham, A. B. Yetter and Grant Wayne.

herself back on the spot of her success as a movie star. Will she be faithful to her trust as a detective in *Two Bits*'s employ? Or will she turn once more to the pictures. Time will tell, & you should read next mo.'s *Two Bits* for the answer.

### Notes

AL WALKER, the DSInc. man in Chicago, advises *Two Bits* that Joe Temple of his Gotham office & Paul O'Dea of his Chicago office both was married on June 30, & Al thinks *Two Bits* ought to carry an item on it. We disagree with you, Al, on a/c you forget to mention the names of the brides.

Jimmie Hoeveler, the Pittsburgh storager, was to Europe of late. Jimmy had intended to supply the Nat'l Furniture Storagers' Association delegates with free White Rock at the Mackinac convention, but when he came to estimate the bill for same he decided it was cheaper to spend a few mos. abroad.

# WHAT'S WHAT IN NEW BUILDINGS

112

Neptune Storage Warehouse Co.,

New Rochelle, N. Y.

**I**LLUSTRATED this month is the new household goods depository of the Neptune Storage Warehouse Co., 369 Huguenot Street, New Rochelle, N. Y. This structure gives the company a total of 68,000 sq. ft. of floor space and the new unit is already partly filled.

When the first warehouse was erected, on a corner property, a rear yard was left vacant, and it is here that the new unit has grown up. A ramp leads from the street to the loading platform in the basement, where a large open area is provided, by omitting two columns, for the turning of vans. The loading platform leads direct to the freight elevator, serving both buildings and the packing room.

The platform is shut off from the rest of the basement by a fire wall with

Underwriters standard fire doors at all openings, thus enabling the company to park vans without hazard to the building.

Communication with the first unit is provided into the landing space in front of the freight elevator, assuring minimum loss of space in earning area. Labeled fire doors at this point, together with a stand pipe system, tend to give the minimum insurance rate. In addition a watchman's service has been installed. An incinerator opening from the boiler room allows for disposing of rubbish and further reducing fire hazard.

A Haskellite vault is located adjacent to the place where shipments are unloaded; this, of course, is

intended for demoting incoming goods.

A service type push button passenger elevator serves all floors and, with its swing sliding doors, permits the use of the car to handle goods in case of emergency.

A hinged platform, at tailboard height, is provided in the driveway opposite the freight elevator, so that a van may be driven in without any backing or turning. This platform may be lowered until its free end rests on the sill of the elevator entrance, forming a solid platform or bridge from van to elevator and facilitating the unloading of vans in the rush moving season.

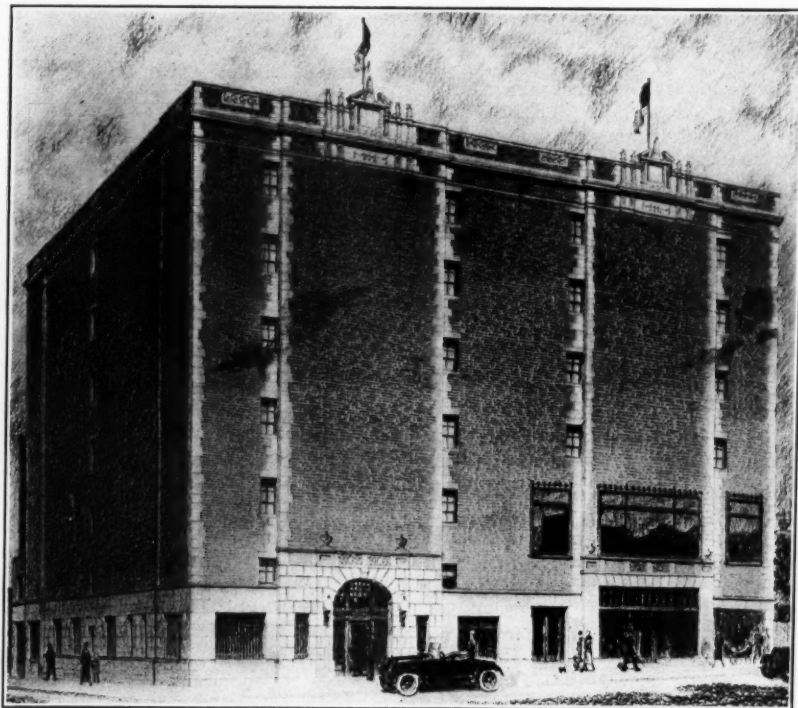
A power-operated rolling steel shutter, operated either from the office or the loading platform, is a labor-saving device that gives quick access of the vans to the building. Over this driveway

the mezzanine floor of the first unit has been extended, thus providing considerable additional open storage space.

The first floor includes a spacious front-half area for furniture display and sales or other commercial purposes. As an adjunct to this, there is a display space also in the front portion of the second floor. These areas—together with the public lobby or elevator and stair hall leading direct from the street—have been artistically treated with colored floors and base, Craftex-covered walls and ceiling, and specially designed lighting fixtures.

To the rear of the store or display space on each

(Concluded on page 52)





## Public or Private Storing?

### Haring on "Distribution"

(Concluded from page 10)

future enhancement of real estate values. To the officers of such corporations a project to hoist their flag over "another branch house" gains quick approval. In a far-seeing way, the decision is undoubtedly right. Whether right or wrong, it is a condition going on all around our distributing centers.

With corporations that are heavy borrowers of the banks, and with those whose earnings are dangerously near "red ink," the opposite tendency is found. Their bankers urge the cutting down of any needless investment. They are obliged to reduce inventories, both of raw materials and finished product; they are forced to raise their turnover ratio by doing more business on less capital. One important item in this recommendation is a scrutiny of capital tied up in branches—either office buildings or store-rooms.

If a public warehouse can handle the distribution at a unit price as favorable as the corporation's own average, bankers do not hesitate to recommend closing out the private storing and contracting with public warehouses. Not only is there thus made possible a lowering of operating costs; but, of greater importance, there is a chance to dispose of the real estate and buildings. The money from the sale goes into working capital; loans may be reduced; the cash position bettered; interest charges eliminated. Better still, from a financial standpoint, the corporation is able to do its business with less capital structure and it is, for that reason, in sounder financial condition.

Both these considerations enter the decision of a corporation as to its method of warehousing. The small corporation, or any corporation with limited distribution in a territory, can not afford the *luxury* of a private storehouse; with big corporations and rich corporations, it may yet be wise not to do for themselves what they can buy from public warehouses for a known cost per unit.

It is notable that most manufacturing concerns that are known as "big users of warehouses" do not use large spaces in any single house. They are big "users" because they follow a policy of public warehousing. They distribute their stocks widely over the country rather than to occupy a whole floor or two floors of any single warehouse. In important cities such concerns will even patronize two public warehouses for traffic reasons or reasons of local deliveries.

The idea of multiplying spot stocks is growing and should grow. Even concerns with private storing policies find it advisable to supplement their own by using public storing at many points.

One tire company, with about 150 "warehouse stocks," operates 20 or 21 factory branch houses but carries the balance of its spot stocks with public warehouses.

A maker of rubber overshoes recently erected a large warehouse exclusively for

this class of merchandise, equipped for expediting shipments during the occasional periods of bad weather when overshoes come suddenly into demand. It was thought that thus the company could dispense with spot stocks elsewhere, but events proved this to be impossible; some two dozen supplementary spot stocks are now used, most of them with public warehouses under special arrangements for handling shipments outbound.

Every month, therefore, important corporations quit public storing for private, while others of equal importance reverse the process. Neither method is the final word for all manufacturers; neither is likely to snuff out the other in America. Shifts are sure to continue, because the four major elements of cost undergo constant change with the ebb and flow of sales volume.

### Coin Device to Sell Food, Drugs

Asserting that America had entered the "package era" of merchandising simultaneously with an era of high wages, John B. Smiley, president of the Remington Arms Co., Inc., announced recently that his company would soon make and distribute nationally an automatic coin-operated device to sell food, drugs, cigarettes and like commodities without the aid of salesmen. He predicted that use of the machines might in time convert the corner grocery to a form not unlike the restaurants in which food is sold by means of slot devices.

The entrance of the Remington interests into this novel undertaking has been started by the acquisition of the Universal Sales Machine Company of Boston and the conclusion of a manufacturing agreement with the National Lead Company. The latter company will manufacture die casting parts for the new enterprise, but will have no common financial interest with the Remington Arms Company. The Remington Service Machines, Inc., has been incorporated with Mr. Smiley as president to take over the manufacture of the machines from the Universal company.

Manufacturing under the Universal patents will be carried on at the Ilion plants of the Remington interests. Mr. Smiley said that the Universal acquisition was a cash purchase and that there would be no public financing. Arthur H. DuGrenier, president of the Universal company, will be in charge of sales of the Remington self-service devices.

### P. R. R. Development in Cleveland

The Pennsylvania Railroad Co. will erect a warehouse at Lakeside Avenue and East 26th Street, Cleveland, as probably the first unit of a big development within the next two years. Plans for the warehouse have been drafted by the company's engineers in Pittsburgh and it is expected the contract will be awarded by the end of September.

The building will have storage space for rent, will be of fireproof construction, and will cost between \$250,000 and \$300,000.

## Follow-Up Postal Cards

### Improve Bekins Service

THE Bekins Van & Storage Co., Los Angeles, recently began sending to all its customers return post cards bearing the following text:

"You favored us with your order for handling your household goods on ..... 192... Our records indicate you were charged \$.... for this service.

"It is the desire of the management of this company to furnish the best possible service to our patrons at all times. Will you please fill out the attached card and return to us, adding any suggestions you may have for the betterment of our service."

The return card bears the following blank form:

"Order No. .... Amount \$....

"Were you satisfied with the men's work?..... Did you receive courteous treatment from all members of our organization?..... Was the amount charged satisfactory?.....

"Remarks .....

"Name .....

"Address ..... Phone ....."

These cards were sent out for a three-fold purpose: to learn of ways in which the service might be improved, to obtain opportunities for adjusting customers' complaints; and to cause drivers and other employees to be more careful.

The management believed there was little room for improvement along any of these lines, although every cylinder of the machine was not hitting 100 per cent at all times; therefore it desired to leave no stone unturned in an effort to attain perfection.

Although only an occasional customer may be dissatisfied, justly or unjustly, not all disgruntled patrons will put in a complaint and give the company a chance to investigate the case and make any adjustment warranted by circumstances. But a single peevish patron, with an uncured complaint, can and sometimes does a great deal of damage to a company by telling others about his real or fancied grievance. Therefore it was considered wise to make an effort to locate every dissatisfied customer and adjust the difficulty.

"We have been very much pleased with the way return cards have been coming back to us," reports Milo W. Bekins, president of the company. "Only about four per cent contain complaints, and most of these we are able to adjust to the customer's satisfaction. The great majority of those served compliment our men and our service highly. Our employees are more careful and conscientious in their work, if possible, knowing that we are checking up on their operations."

The new one-story warehouse of the South Park Transfer Co., on 18th Avenue between 9th and 10th Streets, Rockford, Ill., was opened for business in August. This building is 80 by 54 feet, of brick and steel. The company has removed from 2228 10th Street.

## Merchants Refrigerating Co. Builds New Plant in Newark

THE Merchants Refrigerating Co., New York, is constructing a reinforced concrete cold storage warehouse on a recently-purchased tract of land alongside Pennsylvania Railroad tracks at Avenue C and Vanderpool Street in the southern part of Newark, N. J. This building, to stand nine stories high, 180 by 120 feet, will be divided into two sections, with the two upper floors of each used as a freezer and the seven lower stories of each as a cooler. A spur from the Pennsylvania Railroad has been installed that has a capacity of nine cars. The location is in Newark's new wholesale produce market section.

The warehouse will contain the latest developments for scientific cold storage operation, with many features introduced by the Merchants company's engineers. The main building will be completely sprinklered with a wet pipe system using calcium brine, and the lowest possible insurance rates on both structure and contents have been granted by the schedule rating bureau.

Alongside the railroad spur will be located a large one-story receiving building through which goods will be handled into the warehouse. On the opposite or northerly side of the warehouse there will be a trucking platform.

On the Avenue C side the company expects to equip three to six stores for the wholesale produce or provision trade. These will be modern in every respect, with special facilities for refrigeration on their own premises. Stores of this character are ideal for the trade on account of the convenience of storage facilities in the same building, local refrigeration, and proximity to market.

Located directly on the Pennsylvania line, the plant will have switching connections with other railroads. They will also have lighterage privileges, for export; and "storage in transit" for delivery to Pennsylvania Railroad piers 27 and 29, North River, New York City, for auction sales, and to New England points.

The power plant will be located in a separate one-story building of attractive design and equipped with complete refrigerating machinery consisting of electrically-driven high speed ammonia compressors and the necessary apparatus for a complete plant.

The architects of the new warehouse are the John B. Snook Sons, and the engineer is G. A. Horne of the Merchants Refrigerating Co. The various contracts have been awarded.

The company's present cold storage warehouse in Newark, at River and Cherry Streets, will be continued in operation until the completion of the new plant. The latter should be ready for business about March 1, 1928.

### New St. Petersburg Plant

Plans have been announced in St. Petersburg, Fla., for the city's first certified bonded warehouse, to be erected by

the Security Finance Corporation. The operating storage company is headed by G. Norman Baughman of Tampa as president, with H. D. Atwood of St. Petersburg as secretary, the directors including those two officers and C. C. Nott of Tampa and Donald E. Beach and O. R. Albright of St. Petersburg.

The structure will be fireproof, of brick and steel, sprinklered, and the first unit, to cost \$20,000, will be 100 by 110 feet, with railroad frontage along the Seaboard Air Line right of way.

### Bush Terminal Improves

Net income of the Bush Terminal Co. and subsidiaries for the second quarter of 1927 amounted to \$494,385 after interest, charges, taxes and depreciation, equivalent—after allowing for Bush Terminal Building 7 per cent preferred dividends and Bush Terminal Co. 6 per cent preferred and 7 per cent debenture dividends—to \$1.57 a share earned on 137,776 shares of no par common stock.

This compares with a net income of \$450,080, or \$1.25 a share, for the common in the first quarter, and with \$436,380, or \$1.15 a share, in the second quarter of 1926.

The net income for the first half of 1927 was \$944,465, or \$2.82 a share, on the common stock, against \$796,062, or \$1.74 a share, in the first half of 1926.

### New York Dock Net Up

The report of the New York Dock Co. for the first half of 1927 placed the net income at \$371,758, against \$289,862 for the first half of 1926—a gain of \$81,896. Revenues were \$1,805,047, an increase of \$175,505. Net revenues after expenses were \$972,324, an increase of \$140,669.

The report for June showed revenues of \$317,587, or \$14,374 more than in June of 1926, and expenses of \$144,639, an increase of \$3,437, net revenue increasing \$10,936 to \$172,928 for the month. Net income after charges and taxes were \$70,583, against \$67,652 for the same month last year.

### C. A. Dugan Retires

Announcement is made by Walter C. Reid, vice-president and general manager of the Lincoln Safe Deposit Co., New York City, that C. A. Dugan, operating executive, has retired on a pension after forty-three years of service. Mr. Dugan entered the employ of the Lincoln company in 1884 as a warehouse foreman after experience with an express firm. During the past year his health has not been the best.

### Hotel Removals by Hebard

When the furnishings of Chicago's big new hostelry, the Stevens Hotel, were removed from the railroad cars to the hotel the contract was awarded to the Hebard Storage Warehouses, Chicago. The Hebard company did the job without damaging any of the nearly 1000 van loads.

## Chapter XIX of Aspinwall Volume: The Receipts Act

(Continued from page 26)

incurred in serving notices and advertising and preparing the sale up to the time of such payment. The warehouseman shall deliver the goods to the person making such payment if he is the person entitled, under the provision of this act, to the possession of the goods on payment of the charges thereon. Otherwise the warehouseman shall retain possession of the goods according to the terms of the original contract of deposit.

SEC. 34.—*Perishable and Hazardous Goods:* If goods are of a perishable nature, or by keeping will deteriorate greatly in value, or by their odor, leakage, inflammability, or explosive nature, will be liable to injure other property, the warehouseman may give such notice to the owner, or to the person in whose name the goods are stored, as is reasonable and possible under the circumstances, to satisfy the lien upon such goods, and to remove them from the warehouse, and in the event of the failure of such person to satisfy the lien and to remove the goods within the time so specified, the warehouseman may sell the goods at public or private sale without advertising. If the warehouseman after a reasonable effort is unable to sell such goods, he may dispose of them in any lawful manner, and shall incur no liability thereof.

The proceeds of any sale made under the terms of this section shall be disposed of in the same way as the proceeds of sales made under the terms of the preceding section.

SEC. 35.—*Other Method of Enforcing Liens:* The remedy for enforcing a lien herein provided does not preclude any other remedies allowed by law for the enforcement of a lien against personal property nor bar the right to recover so much of the warehouseman's claim as shall not be paid by the proceeds of the sale of the property.

SEC. 36.—*Effect of Sale:* After goods have been lawfully sold to satisfy a warehouseman's lien, or have been lawfully sold to satisfy a warehouseman's lien, or have been lawfully sold or disposed of because of their perishable or hazardous nature, the warehouseman shall not thereafter be liable for failure to deliver the goods to the depositor or owner of the goods, or to a holder of the receipt given for the goods when they were deposited, even if such receipt be negotiable.

(Chapter XIX to be concluded in the October issue)

### Cleveland Truck Terminal

Tentative plans are under way by the E. H. Scott Transportation Co., Cleveland, for the erection of a new truck terminal building at East 21st and Orange Avenue. The building will take care of the freight business handled by the company, which operates a truck service between Cleveland and Buffalo and intermediate points.

## Trade Publications Share in Federal's Publicity Plans

ONE of the largest and most comprehensive advertising programs ever undertaken by any truck manufacturer has just been announced by the Federal Motor Truck Co., Detroit.

While all forms of advertising are to be used, trade publications have a prominent place on the list of mediums. The leading trade magazines in twenty fields of industry have been selected. *Distribution and Warehousing* was chosen to carry Federal advertising to the public warehouse industry.

"Vocational publications are logical mediums for Federal and for other advertisers who wish to reach a special group with a large potential buying power," says John M. Howard, advertising manager for Federal.

"We wish to place our message before the most progressive type of business men and the largest buyers of motor trucks in each of the major truck markets. Trade magazines go to just this kind of audience and for this reason we will use full pages in the ones that we feel have the most adequate circulation and a high standing in their respective industries.

"This is a comparatively new field for Federal advertising but with our new line of fours and sixes—the most complete in Federal's seventeen years as a builder of trucks exclusively—it is our conviction that trade journals are indispensable to our future plans. We are also using national magazines, newspapers, outdoor posters and direct mail, thus bringing into action all those mediums which are so essential to a well-rounded and comprehensive merchandising program."

In the July 30 issue of the *Saturday Evening Post*, the Federal company published a full page advertisement describing a practical method of using truck records to cut hauling costs.

The plan is simple and is declared to be adaptable to any accounting method, without any change even of printed "forms" already in use. It is known as the "Federal System of Truck Expense Control." The plan was copyrighted in 1924 and has been used successfully by many fleet owners.

Briefly, it eliminates guess work and provides for setting up a definite basis for judging truck operation, and for the comparison of trucks (individually and collectively) as to cost and performance. "Leaks" are brought to light as fast as they occur and thus not allowed to accumulate or to turn up later when it is too late to stop them. According to M. L. Pulcher, president of the Federal company:

"It was developed primarily for Federal owners and quite naturally was offered to them first. But we feel that in this system we have something that every truck operator needs, and we are therefore offering it to anyone, regardless of make of truck owned or the size of the fleet. It is Federal's contribution to help solve the problem of fast and

economical distribution of merchandise."

The basic principles of the system are clearly described in a brochure which gives complete details as to how it may be used in connection with any existing method of truck accounting. It is offered free to any truck operator, without any limitation on the kind or number of trucks owned. To obtain a copy of the brochure, write to the Federal Motor Truck Co., Detroit, Mich.

### Carolina Co. Absorbs Competitor

Announcement is made by J. L. Wilkinson, secretary-treasurer of the Carolina Transfer & Storage Co., Charlotte, N. C., that the merchandise and furniture storage business and fleet of trucks of the Cochran & Ross Co., Charlotte, have been purchased by the Carolina company. The sellers have agreed not to enter the same business for ten years, according to Mr. Wilkinson. This is the second competing firm which the Carolina company has taken over within the past two years.

The Cochran & Ross company was organized in 1912 by Mr. Wilkinson, who was secretary and general manager until, in 1918, he enlisted for service in the World War and sold out his interests. Returning in 1919, he organized the Carolina Transfer & Storage Co.

The Cochran & Ross company, with office address at 223 No. Graham Street, operated a warehouse containing 40,000 square feet of floor space at 204 No. A Street.

### Another Chicago Firm

The Howard Storage & Van Co. has been incorporated at 7616 North Paulina Street, Chicago, with a capital of \$30,000, by Ivan F. Sweeney, Marie A. E. Elschen, and Joseph Brader.

### California Co. in Larger Quarters

Owing to expansion of business, the Walker Transfer & Storage Co., East San Gabriel, Cal., has leased the brick building at 241 South San Gabriel Boulevard. This provides the firm with more adequate storage space.

## Bankers and Warehousemen

### Agree on Use of Receipts

(Continued from page 21)

receipt. The warehousemen further believe that were such a practice to be established it would find immediate favor among the banks' customers.

"There was also discussed in a general way the expressed desire on the part of warehousemen to be of assistance to banks and their desire to cooperate with the banks in every possible way. The warehousemen feel that greater popularity of warehouse receipts as collateral for loans would operate to the benefit of all concerned.

"The Merchants' Association, of course, stands ready to assist the warehouses and the banks in any manner possible in advancing the foregoing propositions."

## \$5,000 Hoard in Painting in Packing Room of Atlas Co.

HIDDEN treasure, including bonds, banknotes and gold eagles, was discovered recently secreted behind the canvas of an old oil-painting in the packing room of the Atlas Storage Warehouse Co., Philadelphia. The hoard, amounting to \$5,000, was found by George Pyott and Joseph Dugan, veteran employees of the Atlas firm, when a gold piece clinked to the floor while they were packing the picture for shipment to Kansas.

Several days previously the Atlas company received a telephone call asking that a van be sent to a woman's home to get the oil-painting for packing, crating and shipping to Olathe, Kansas. Roughly wrapped in burlap, the painting arrived on the van at the Atlas packing room and was propped against a wall. Pyott picked up the painting and heard what sounded like a clink of glass. He called in Dugan and the two examined the picture. The glass was sound but there was a rent in the canvas backing. Then the greenbacks and securities were discovered.

The two men notified Walter E. Sweeting, the firm's president, who made an inventory which showed that the hoard included street car stock, Liberty bonds, bank deposits, coins, bank notes and a gold ring.

Mr. Sweeting consulted an attorney, who learned that the valuables had belonged to a Philadelphia woman who died in May and whose sister, suspecting that they had been somewhere concealed, ripped up the rugs and looked for secret panels—but did not examine the oil-painting.

Pyott and Dugan received rewards for their vigilance and honesty, in the presence of the Atlas force, and the Philadelphia Public Ledger published their pictures to illustrate the news story of the find.

### American Succeeds Southern Bonded

The American Bonded Warehouse, Inc., successor to the Southern Bonded Warehouse Corp. of Petersburg, Va., has opened for business at 22 South Market Street. L. A. Rosenstock is president, A. F. Woods is vice-president, John R. Jolly is secretary and Charles A. Leonard is treasurer. These four and Albert H. Ochsner comprise the directors.

Sydney M. Greene, Jr., who was president of the former company, continues to be identified with the new corporation.

Mr. Rosenstock is president of Petersburg's Chamber of Commerce and is actively identified with the city's business activities. Mr. Woods is a real estate man, Mr. Jolly is head of a dry goods firm, Mr. Leonard is associated with an electric and power company, and Mr. Ochsner is a dairyman and farmer.

### New Plant for Seymour, Ind.

The Lingo Transfer Co., headed by Nelson J. Lingo, of Seymour, Ind., is erecting a warehouse on Indianapolis Avenue opposite the Pennsylvania Railroad passenger station.



## Cold Storage Distribution in California Heat Belt

(Concluded from page 35)

flashing red light alongside the green globe. This red light, however, is merely by way of information, because the thermostatic control over the Kelvinator immediately increases the degree of cold whenever the temperature falls.

Each of these units of truck and trailer represents a cash investment of \$13,000, and the corporation has invested a total of more than \$30,000 in the two units and their equipment, with another unit now in process of construction, although the refrigerated truck service has been in operation only since June. Store door delivery is maintained.

Back of this innovation in distribution lies a business romance and the making of one man's dream come true. C. B. Locklin, a pioneer in long distance truck transportation in Massachusetts and California some years ago, established a motor truck line between Fresno and Los Angeles. That was just after the close of the war, and Mr. Locklin saw that, unless he could handle perishables through the hot belt of the San Joaquin Valley, he could not make complete success of the line. Selling out his interests in the operation between Los Angeles and Fresno, he devoted all his attention for several years to the devising of a practical method of refrigerating motor trucks for long distance hauling. Refrigeration engineers discouraged him, but he kept at it, until he interested A. O. Stewart, president of the Golden Gate Ferry Co. The two men went to the San Francisco engineers of the Leo J. Meyberg Co., with the result that a "moving cold storage house," cooled and kept cool by the Kelvinator system, was devised and placed on the chassis of a Fageol truck.

With this one experimental truck, representing a considerable investment, Mr. Locklin, in the midst of the June heat, went into the Sacramento Valley and picked up a cargo of butter, eggs and veal, carrying it more than 300 miles, in the heat of daylight, to San Francisco. The perishables arrived there with the eggs fresh, the butter solid and the meat as firm as when the truck left the heart of the valley.

Producers, watching the experiment, which was followed by others equally successful, offered contracts for more cargoes than the truck and trailer could handle. Another unit was built, and, now, as this is being written late in August, these two trucks and their trailers pass in and out of San Francisco every twelve hours, loaded to capacity.

Mr. Locklin, now vice-president and general manager of the Golden Gate Motor Transportation Co., has seen his dream of a "traveling ice house" come true and succeed through two months of trial and test.

One of the interesting features, in which he followed cold storage warehouse usage, is the hanging up of all meats in transit, so that nothing can touch them except the cold air which fills the body of the truck.

The trucks themselves are equipped with dual drives and other double equipment, so that a breakdown of one set of equipment will not prevent completion of the run or halt the cold storage haulers on their way.

Changes in the personnel of the officers of the Security Van & Storage Co., Santa Monica, Cal., are announced by the company. Alexander C. Pyper succeeds M. Zarboni as president and manager. Minita Storke Pyper is vice-president and secretary.

## P. F. D. Corp. Reorganizes

Announcement is made in New York that the P. F. D. Warehouse Corp., operating a merchandise storage business at Eleventh Avenue and West Thirtieth Street, has been reorganized.

Edward F. Moloney is the new president. James F. Torsney the new secretary and George F. Torsney the new treasurer.

The management of the business is now in the hands of George F. Torsney, the treasurer.

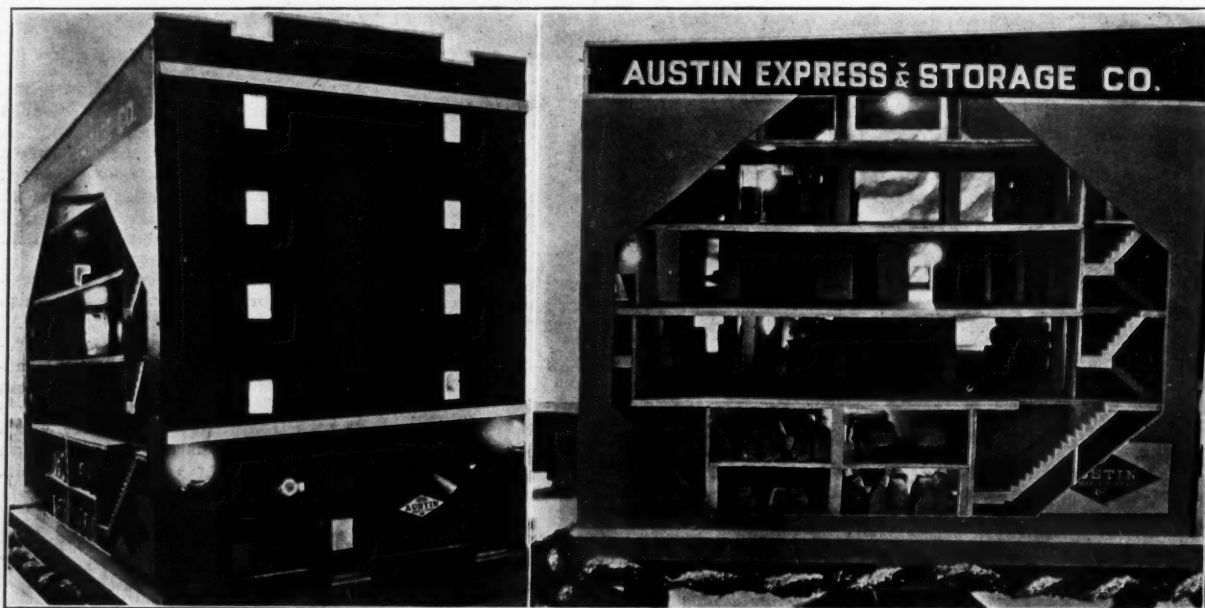
## Lighted Model of Warehouse Used as Advertising Medium

A MINATURE reproduction of its warehouse has been found a paying proposition, according to the Austin Express & Storage Co., Chicago. It is considered to be a good advertisement for the firm, especially at business expositions, where an attractive model is needed. This one is illuminated with electric lights, which flash off and on, attracting attention. At two shows it was mounted on a turntable that revolved slowly.

The model was planned on a scale of  $\frac{1}{2}$  inch to a foot. This means that the model is 25 by 40 inches in size, as the building is 50 by 80 feet.

As the sides are cut away, visitors are able to get a very clear idea of the arrangement of the entire interior of the large building at almost a single glance. They can make a "trip" through the building without budging from their tracks.

The model was made under the personal direction of John O. Wilson, the company's secretary, who feels that it has brought excellent direct results to the firm.



Miniature warehouse, illuminated with electricity, is held by Austin Express & Storage Co., Chicago, to be a paying advertising medium at expositions

## Old Family Album Unfolds Career of Fred H. Bixby

(Concluded from page 31)

was erected. The first cargo put into the new structure was a shipload of foreign cement, which was placed on the ground floor while the building was going up. Thus the new enterprise began making money right from the start.

Both the warehouses and the land which go to make up the Los Angeles company were originally financed by borrowed capital, but it was not long before Mr. Bixby bought out his associates and became the sole owner. Of the company's seven warehouses, six are at San Pedro and Commercial Streets. The other one, known as the Yellow Van Transfer & Storage Co., is in Hollywood. The company is contemplating the erection of a large cold storage plant in conjunction with a 13-story office building adjacent to the Los Angeles group. The municipality is building a skyscraping City Hall in the immediate neighborhood, and it is expected that this will increase the demand for office suites in that part of town.

The Los Angeles company represents some 500 eastern distributors. Many of these are provided with private offices on the premises. Others are represented in every way by the warehouse firm, even to the hiring and establishing of a sales force. The company maintains a fleet of eighteen motor trucks. The buildings are equipped with spiral chutes for the handling of small merchandise, as well as with private trackage. Mr. Wrigley, who made Catalina Island famous and Spearmint infamous, ships all of his product for California distribution to the Los Angeles Warehouse. It is said also that the Los Angeles warehouse company practically controls a major part of the distribution of new furniture in southern California.

Questions asked Mr. Bixby concerning the warehouse business are promptly referred to Merle E. Turner, the general manager. Though listed as a member of the American, National, Pacific Coast and California warehousing trade associations, Mr. Bixby, residing on the ranch that bears his name at Long Beach, takes much more interest in his membership in the various breeders' associations. From 1922 to 1925 he was president of the National Cattleman's Association. For the past three years he has been president of the American National Live Stock Association. He is president also of the California Cattleman's Association.

Mr. Bixby came to the ranch to make his home fifty and one-half years ago—when he was 18 months old. He is a native son, having been born in Wilmington, Cal. His father died when he was twelve. After that he was sent to a military school, and in 1898 he was graduated from the University of California, at Berkeley. Leaving college, Mr. Bixby returned directly to the ranch, where his father had built a barn and a house. Here he decided to roll up his sleeves and start in.

The Bixby ranch with its 3700 acres now is one of the sights of southern California. There is a legend in Long Beach that the doors in one of the Bixby homes have gold nuggets for handles. At any rate, the larger motion picture companies long have laid covetous eyes on it as a setting for one of their more elaborate "horse operas," only to be told "no can do." This is a home, not a public show place.

Cattle from the Bixby ranch are to be found all over the State of California. Horses and colts are bred on six other ranches, but the home place, six miles from Long Beach, is a sales yard and outlet for all the others. Here, too, are raised hogs, alfalfa and sugar beets; 1000 acres of land being devoted to the latter. It is a thoroughly modern ranch in every way, having its own drainage system, its blacksmith shop, its spacious stables for the thoroughbreds, and its executive office where much of the business of the Los Angeles Warehouse Co. is transacted, as well as for the ranch.

The ranch, indeed, is as much a meeting ground for the new and the old as is the warehouse. Here is one of the oldest ranches in the country, yet its owner is a gentleman and a scholar, equally at home attending a class reunion or dressing a horse's injured foot. Here a hundred laborers are bending over the beet fields while a liveried chauffeur drives a plutocratic car along the paved driveway. Here a dozen flowing oil wells, their stiff derricks silhouetted against the sky, make an ugly and uncompromising background for the delicate grace of the lacy pepper trees that line the garden. Here the smell of crude oil blends with the heady fragrance of the acacia trees.

But California is like that.

### Six More Midwest Clients

Six more storage companies have become associated with the recently organized warehouse department of the Midwest Freight Traffic Service Bureau, Inc., Chicago, agents in securing distribution accounts, it is announced by L. M. Souders, manager of the department. They are:

Decatur Warehouse Co., Decatur, Ill.  
Merchants Transfer & Storage Co., Seattle, Wash.

Pacific-Southwest Warehouse Co., Inc., Los Angeles.

Security Storage & Power Co., Columbus, Ohio.

St. Louis Terminal Warehouse Co., St. Louis.

Swift Moving & Storage Co., Inc., Denver.

### Paul Bekins Weds

Paul Bekins of the Bekins Van & Storage Co., Sioux City, Iowa, and secretary of the Iowa Warehousemen's Association, was married on July 23 to Miss Nancy M. Slagle, daughter of Mr. and Mrs. Walter S. Slagle of Alton, Iowa.

## Protzman Joins Powelton as the Firm's V. P. and Treasurer

WILLIAM H. Protzman, formerly vice-president and general manager of the 20th Century Storage Warehouse Co., now the Fidelity-20th Century, Philadelphia, has resigned his connection with that organization to become associated, as vice-president and treasurer, with The Powelton Company, which is newly incorporated name of the Powelton Storage House, which Frederic E. Aaron established thirty years ago. Mr. Protzman will devote his entire time to the Powelton company, of which Mr. Aaron is president.

The directors of The Powelton Company are Mr. Aaron and Mr. Protzman; M. H. Bartram, the secretary; George H. Borst, president of the 20th Century Realty Co. and long associated with the 20th Century Storage Warehouse Co.; and Samuel Graham, Jr., president of the Drovers and Merchants National Bank.

The development in the affairs of the Powelton company bring together two men prominent in the activities of the industry's trade associations. Mr. Aaron and Mr. Protzman are both past presidents of the Pennsylvania Furniture Warehousemen's Association. Mr. Aaron is chairman of the membership committee of the National Furniture Warehousemen's Association and is chairman also of the eastern district committee of the National's inter-city removals bureau. Mr. Protzman is chairman of the National's committee on standard forms.

### Cold Storage Field in Orient

Possibilities for the expansion of American cold storage operations in the Orient are almost unlimited, according to Capt. Thomas A. Ensor, special representative of the Kerr Steamship Company, Inc., New York, speaking before the Foreign Trade Club of California in San Francisco recently. Captain Ensor was on his way to make his second extended study of cold storage facilities and opportunities in the Far East.

Oriental markets, he declared, were in their infancy, with great possibilities for the future for cold storage fruits, vegetables and other products, when properly prepared, shipped and handled there. Referring to his Oriental tour of a year ago, which laid the basis for the present refrigerator-motorship service which the Kerr Lines have inaugurated with six express liners, Captain Ensor said he found strong demand in China, the Philippines, the Dutch East Indies and the Straits Settlements, for California fruits and vegetables.

### Topeka Gets Kansas Convention

At a recent meeting of the directors of the Kansas Warehouse & Transfermen's Association it was decided to hold the annual meeting in Topeka in February, 1927. The Kansas body was organized early this year in Wichita, the home of the association's president and secretary, U. O. Bryan and John F. Dee.



## Life of R. V. Weicker Is Told in Old Family Album Sketch

(Concluded from page 30)

One of his reasons for selecting this location was because just across the street was a large wholesale house which required considerable drayage, and he hoped eventually to obtain that company's work. Other expressmen, however, recognized the value of the firm's business, and it was not until three months later that the boy got a single job from the wholesale house—an emergency case. He did the work so well that additional work was thrown his way—and it was not long ere he had it all.

One of the bad features about this wholesale company's drayage needs was the great amount of work required to be done after 6 o'clock in the evening. This did not appeal to many expressmen, but the Weicker youth was after business and long hours meant nothing to him. His energy and willingness to work any and all hours aroused interest, and the head of the firm has since become one of Mr. Weicker's best friends and supporters.

At the end of five years the young man saw possibilities in a general transfer business among the merchants of the city. He approached a member of the wholesale house, and it developed that he had practically no knowledge of the requirements or the amount of capital he would need to swing such a venture, but members of the firm had so much faith in his ability and future that they backed him. He rented a little vacant store room to serve as a warehouse, if one could really call it a warehouse, and the transfer business was launched.

"It took me five years to get the transfer business where it was making good money; then it took me another five to get out of the hole," said Mr. Weicker, recounting his experiences.

When he did get "out of the hole" the little shack was too small, and more commodious quarters had to be secured. Then he became cramped in the larger building and began to have visions of a fireproof structure.

Meanwhile the family which owned the old hotel and property on that corner passed on, leaving a son heir to the land and buildings, which, because of the changes in the business map of the city, were no longer in demand. The hotel was closed. The fences of the old corral were down. The livery stable was closed, too. In fact, there was scarcely any revenue accruing from the property; yet the son felt that it was valuable ground and that some day it would be in demand. He was right, but long before this the boy and young Weicker had become close friends—a friendship which was almost broken because of Mr. Weicker's desire to have a warehouse on the site. He repeatedly urged the friend to build a warehouse on the site and lease it. The friend was afraid and it took two years to persuade him that it would be a safe investment.

In 1909 Mr. Weicker moved into the first fireproof warehouse to be erected in Colorado. It was where he wanted it to be and built by the friend. It was a six-story and basement structure, 50 feet wide and 125 feet long.

"When I got this building," said Mr. Weicker, "I thought I had everything I should ever want; everything I should need as far as business was concerned."

He reckoned wrongly, however, and ten years later an addition was made to the building—an addition twice the size of the original structure, and bringing it out to the corner. On the other side of the original plant were two other structures, both six stories high and both used as warehouses by other concerns; but they were not fireproof. However, Mr. Weicker needed more room, so he purchased them.

Business continued to expand and in 1925 he built in the residential district, about three miles from the main plant, a fireproof depository for household goods. Now the total square footage of the company's warehouse space is 247,200.

It is not to be wondered at that the young man who started out in 1888 to make his fortune with an express wagon should have attempted any and all kinds of hauling offered him and that from the experience gained he should have worked out such excellent methods of handling household goods as are at present in vogue at his plant; or that he should have developed methods of handling intricate hauling jobs, such as that of enormous pieces of machinery, along with developing better methods of handling and warehousing merchandise. He seems to have a genius for solving any hauling problem. "If it can be moved, we can move it," seems to have been and still is Weicker's motto. Associates declare he'll tackle any transportation problem, and a glance into the garage and the equipment yards indicates the justification of this reputation.

Special equipment has been conceived and built for the firm—some of it designed for some particular job, only to be later adapted to others of more or less intricate nature. The company has some thirty-five motor trucks of various sizes and types, and many trailers also, of various styles and types. It makes no difference what is to be hauled, be it a package of pea seed or a twenty-ton steam shovel, Mr. Weicker has equipment that will do it.

One would think that this vast array of motorized equipment would completely overshadow any horse-drawn equipment owned by the firm. It does to all except Mr. Weicker, perhaps. But he still loves the horses and retains ten teams of the city's finest. In fact, he has a wide reputation as a judge of draft horses and has been called many a time to give expert testimony in legal cases where horses were involved.

A few years ago Mr. Weicker admitted several of his most loyal employees into the firm—men who were not old in years, yet veterans in the service—and gave them responsible positions. The average number of employees

## Theft and Arrests Involved in New York Warehouse Fire

CONSEQUENT upon the fire which swept the storage building of the Bishop Warehouse Co. at 52-54 Greenwich Street, New York, in June, and the theft of \$500,000 worth of bonded merchandise prior to and after the blaze, five men were arrested on Aug. 13 and 15 and held in aggregate bail of \$250,000 on a charge of conspiring to violate the Internal Revenue Act.

The defendants are Peter Andrews and Alexander Psaki, each described as a manager of the warehouse; Richard A. Clarke, bookkeeper; Patrick Parker, a warehouse laborer; and John Courmalis, whose connection, if any, with the Bishop company was not made clear by the authorities.

Inquiry disclosed, it was announced by investigators, that insurance of \$1,000,000 was carried on the warehouse and contents.

The contents included merchandise from the Mediterranean countries—oils, embroideries and foodstuffs.

### California Law in Effect Aug. 1

Among the last batch of bills signed by Governor Young of California after enactment by the California State Legislature is one which, going into effect on Aug. 1, regulates warehousing in cities of more than 150,000 population. Under this statute a certificate of public necessity must be issued by the State Railroad Commission before extensions can be made.

The features of this situation were set down on page 52 of the August issue of *Distribution and Warehousing*.

is around 100 and the work is so arranged and the business so organized that one would think that the "Big Boss" would take things easy—play golf, travel or do many other recreational "tasks." But the golf links have no lure for him.

"I'd rather be here on the job than out playing golf," he said as he returned to his private office—which, by the way, is far from being private and is freely used by other members of the firm—from a visit to the loading docks, where he watched the two dozen men and a dozen snorting, roaring motor trucks load the last-minute freight and rush to the seven depots to pile the stuff on the platforms before the 4 o'clock dead-line on receiving shipments. "I can't stay away from the docks at this time of the day. I still get a thrill out of the work."

When asked what he considered the basis of Mr. Weicker's success, one of his associates replied that he believed it was his peculiar and almost uncanny business judgment, his ability to work with men and get men to work with him, his willingness to tackle any job himself and his ability to obtain and retain the friendship and confidence of his men and that of the leaders in other business enterprises in the city.



## Distribution Census Totals Will Be Ready in 3 Months

WITH the issuance of the preliminary summary of the census of distribution for Fargo, N. D., the Department of Commerce has announced that the complete reports on all of the seventeen cities under survey may be expected within the next ninety days.

The announcement was made in an oral statement Aug. 11 by the Director of the Bureau of the Census, William M. Steuart, who explained that preliminary summaries in each case will precede the issuance of exhaustive wholesale and retail tabulations for each city.

Undertaken last February at the instance of the Secretary of Commerce, Herbert Hoover, the census of distribution is intended, according to Mr. Steuart, to provide statistical information relating to the business done in the respective cities and the people engaged in these businesses. Moreover, he added, the object has been not only to collect statistics for the information of business men but to develop methods that could be followed in a general census of this character covering all the United States.

The seventeen cities were selected as representative American cities, but the tabulations of the census of distribution will combine the statistics for some of them. The Baltimore census, made public recently by the United States Chamber of Commerce, has been revised and reissued by that organization, according to Mr. Steuart, who has had charge of the census of distribution. It will also be issued by the Bureau of the Census in corrected form, he said.

The Fargo summary precedes the complete tabulations to be made public after a check has been made by the Fargo Chamber of Commerce and its approval signified. This may be expected shortly, according to Mr. Steuart. The preliminary summary in all cases will precede the complete tabulations, both being submitted, before release, to the local chambers.

The Bureau of the Census now is tabulating the detailed results for Syracuse, and soon will have the preliminary summary ready for that city. The other cities where the census has been taken and for which the reports are to be available within the next ninety days, are: Chicago, Ill.; Atlanta, Ga.; Denver, Colo.; Kansas City, Mo., and Kansas City, Kan. (combined); Providence, Central Falls, and Pawtucket, R. I. (combined); San Francisco, Berkeley, Oakland, and Alameda, Cal. (combined); Seattle, Wash., and Springfield, Ill.

Delays have been occasioned, Mr. Steuart explained, because the statistics for many stores in these cities, having headquarters in other cities, such as the chain stores, were not obtained promptly. All of the field work, however, is practically completed and the schedule edited, he said. Nearly 500 special

(Concluded on page 46)

## New California Company

The Pacific & Atlantic Terminal Co. has filed articles of incorporation in California, with a capitalization of \$1,000,000, and has announced plans for an inter-coastal warehouse-to-warehouse shipping service between Los Angeles and New York City.

According to A. D. Boone, general manager of the Horstman Warehouse Co., operating three commercial warehouses on Manhattan Island and in Brooklyn, a merchandise storage structure will be erected in Los Angeles and will be conducted in connection with the New York plants, the California warehouse to be financed by eastern capital.

## B. & O. Warehouse for Cleveland

Division Superintendent D. F. Stevens of the B. & O. Railroad announces that tentative plans have been made for the erection of a huge warehouse on the railroad between Eagle Avenue and Columbus Road. The development is expected to cost between \$1,000,000 and \$1,500,000.

## Grain Storage Supervision

A misleading story published in a number of Illinois newspapers stated that Governor Small had signed a bill which, introduced by Representative Frank A. McCarthy of Elgin and enacted by the General Assembly, placed public warehouses under the supervision of the Illinois Commerce Commission.

As a matter of record, the law applies only to Class A public grain warehouses.

The measure was introduced on behalf of the Legislative grain investigating committee.

## Cold Storage Holdings Up as Compared with Year Ago

INCREASED cold storage stocks of poultry, meats, butter and eggs on Aug. 1, as compared with the same date last year, are reported by the Bureau of Agricultural Economics of the United States Department of Agriculture.

Total holdings of frozen poultry, including broilers, fryers, roasters, fowls, turkeys and miscellaneous poultry, are placed at 42,302,000, against 35,793,000 pounds on Aug. 1, 1926, and a five-year average of 38,973,000 pounds.

Meat stocks, including beef, pork, lamb and mutton, totalled 944,459,000 pounds on Aug. 1, against 747,587,000 pounds last August and a five-year average of 848,058,000 pounds.

Holdings of creamery butter aggregated 145,146,000 pounds, compared with 131,152,000 last year.

Stocks of case eggs were 10,737,000 cases, against 9,845,000 on the same date a year ago.

American cheese supplies are smaller, with 67,089,000 pounds, compared with 73,681,000 pounds a year ago.

Frozen pork supplies, with 214,428,000 pounds on Aug. 1, were greatly in excess of last year's supply of 133,104,000.

Frozen beef has declined from 23,509,000 pounds last year to an Aug. 1 stock of 18,515,000 pounds.

## Michigan Company Changes Hands

The Stevens Transfer Co., operated in Allegan, Mich., for the past eight years, has been sold to W. Morgan, formerly a contractor, and will be known hereafter as the Allegan Transfer Co.

## Here's a Van With Plywood and Steel Sides

A FURNITURE van with its sides made from panels of Plymetl soldered together for the purpose of obtaining a seamless finish attracted much favorable attention at the July Convention of the National Furniture Warehousemen's Association, at Mackinac Island, Mich., where it was on display.

The vehicle is the property of the Ben A. Langan Fireproof Storage Co.,

furniture warehousemen in St. Louis.

The paint finish is Duco and, the owners say, "It is easily kept clean, and no doubt will last several years without repainting. The regulation paint job never lasts longer than two years."

Plymetl is Haskelite plywood covered with steel and is made by the Haskelite Manufacturing Corporation, Chicago.



Furniture van with panels of Plymetl soldered together

## Distribution Census Totals Will Be Ready in 3 Months

(Concluded from page 45)

census-takers were employed in the work, which in all cases was done under the auspices of the local chambers of commerce, but with specialists from the Bureau of the Census in charge.

The collection of business figures themselves provide an index to the business turnover and the wealth of the respective communities. They are designed to picture the commercial mechanism of the various cities—and these, selected as representative cities, may readily be likened to other cities of a similar character—and to “stir in the minds of all who deal with economic or business or social problems a vivid appreciation of what it would mean if corresponding figures were available for all parts of the country.”

The Fargo census, according to Mr. Steuart, is typical of the others. The completed tabulation which will supplement the present preliminary report will cover in statistical detail the following features of both the wholesale and retail trade of the communities during the calendar year 1926.

Table 1—Total persons engaged, total salaries and wages, merchandise inventory, and sales by class of establishments.

Table 2—Average number of employees for the year, selling and non-selling, number of employees on the first (or nearest representative) day of April, July, October, and December, and average salaries and wages per employee.

Table 3—Averages per establishment: Persons engaged, salaries and wages, merchandise inventory, and sales.

Table 4—Number of inhabitants per establishment, sales per inhabitant and per person engaged, and ratio of sales to average merchandise inventory.

Table 5—Volume of sales by commodities.

Following is the full text of the preliminary announcement made public for Fargo:

“The Department of Commerce announces that the census of distribution which was recently taken in Fargo, N. D., for the calendar year 1926, shows that there are 489 establishments in that city engaged in wholesale and retail trade, 397 of which are retailers and 92 wholesalers. The retail figures include stores operated in Fargo by manufacturing establishments; and the wholesale figures include branch distributing offices or warehouses of manufacturers.

“There were employed in retail establishments 1,746 persons, who were paid salaries and wages amounting to \$2,076,600. In addition to this, there were 392 firm members and proprietors engaged in and devoting a large proportion of their time to the retail business. The inventory at cost in retail stores amounted to \$3,016,000; and the total sales were \$19,686,000.

“There were employed in wholesale establishments 1014 persons, whose

salaries and wages amounted to \$1,752,900. In addition to the salaried employees, 16 firm members and proprietors were engaged in the business. The inventory of the wholesale concerns amounted to \$3,002,500; and the sales were \$26,742,700.

“More detailed statistics showing the above facts by classes of stores will be published within a short time.”

### Intensive Haulage in Ohio

A survey of the haulage business in central Ohio, with Columbus as the center and extending to some cities which are 135 miles distant, shows that a large part of the traffic in merchandise is done by motor truck.

Taking the town of Circleville, 22 miles south of Columbus and containing slightly more than 7000 inhabitants, it is seen that almost half of the freight tonnage is handled by truck. Ashville, also south of Columbus, is supplied with its freight and merchandise from Columbus to the extent of about 80 per cent by motor truck. Springfield, a city of 50,000 people, west of Columbus, is supplied by motor truck to the extent of almost 50 per cent. Delaware, north of Columbus, is supplied by motor trucks with more than half of its freight. Many towns much closer are supplied with from 85 to 97 per cent by motor trucks.

The conclusion reached from the survey is that all traffic in freight up to 30 miles distant from Columbus shows predominance of motor truck haulage in comparison with all other means of haulage.

### New Company in Decatur, Ill.

The Decatur Warehouse Co. has been organized in Decatur, Ill., to do a general merchandise and household goods storage and transfer business.

James M. Allen and Orval Shumate, members of the firm, has taken over under lease the building formerly occupied by the McClelland Grocery Co. at Morgan and Sangamon Streets. The structure has three stories and a full basement and readily adaptable to public warehousing. It contains more than 50,000 square feet of floor space, is fire-proof throughout, and has a heavy-load freight elevator, a package chute, automatic fire doors and a large loading platform, and has railroad side track facilities.

The Shumate Transfer Co. has been merged with the new company.

Charles R. Mertens is warehouse manager.

### Wheat Marketing Information

“Factors in Wheat Marketing” is the title of a new Department of Commerce pamphlet, prepared by Theodore D. Hammatt, grain specialist of the food-stuffs division of the Bureau of Foreign and Domestic Commerce. A copy may be had from the Department of Commerce on request without cost.

## Railroads Set New Record in Freight Traffic Handled

THE freight traffic handled by Class 1 railroads in the first half of 1927 was the greatest on record, according to reports filed with the Bureau of Railway Economics in Washington and made public on Aug. 15. It amounted to 233,794,648,000 net ton miles, or 3 per cent more than during the corresponding period last year, which was the previous record.

The railroads in the eastern district reported an increase of 3.5 per cent in volume of freight handled. Those in the southern district reported a decrease of nine-tenths of 1 per cent. The roads in the western district reported an increase of 3.9 per cent.

While freight traffic for the first half of the year broke all previous records, reports for the month of June showed a volume of freight amounting to 38,483,389,000 net ton miles, which was a decrease of 768,756,000 net ton miles, or 2 per cent; under the same month last year, when the heaviest freight traffic for any June on record was reported.

All districts reported a decrease for June in the volume of freight traffic handled compared with the same month in 1926, the eastern district showing a decrease of 2.7 per cent, the southern 3.6 per cent and the western two-tenths of 1 per cent.

### Highest Daily Average

The average daily movement per freight car for the first six months of 1927 was the highest for any corresponding period on record, amounting to 29.9 miles per day, the Bureau of Railway Economics announced.

This was an increase of nine-tenths of one mile over the corresponding period last year, and an increase of three miles over the same period in 1925. The daily average for June was 30 miles, a decrease of one-tenth of a mile under June last year, but an increase of 2.5 miles over June, 1925.

In computing the average movement per day, account is taken of all freight cars in service, including cars in transit, cars in process of being loaded and unloaded, cars undergoing or awaiting repairs and also cars on side tracks for which no load is immediately available.

The average load per car for the six months this year was 27.3 tons, an increase of four-tenths of a ton above the average for the first half of 1926 and an increase of one-half a ton above that for 1925. The average load per car for the month of June this year was 27 tons, compared with 27.3 tons in June last year and 26.9 tons in June, 1925.

### Boston Company Buys Property

The Atlantic Storage & Warehouse Co., Inc., Boston, has purchased from the Boston Safe Deposit & Trust Co. the wharf property, consisting of 33,582 square feet of land and a warehouse building, at 60 Mt. Washington Avenue, South Boston, and will use the building for storage purposes after extensive improvements have been made.



## Security Granted New Trial in Suit by International

Distribution and Warehousing's  
Washington Bureau,  
428 Munsey Building.

THE case of the Publication Division, International Transportation Association, against the Security Storage Co. of Washington took an odd turn in the District of Columbia Municipal Court when Judge Nathan Cayton, after finding against the storage company, granted a motion for a new trial.

The International Transportation Association brought suit to recover \$50 upon a contract for advertising in a manual listing warehouses published by the association. The suit was resisted on the grounds that the contract was arranged in a manner to deceive the offeree. Judge Cayton ruled that a case of fraud had not been made out and gave judgment in favor of the plaintiff.

However, before judgment was entered, Paul E. Lesh of the firm of Peele, Ogilby & Lesh, attorneys, made a motion for a new trial upon the usual grounds. The motion was granted on Aug. 1, and, contrary to the usual speed with which such motions are disposed of, no decision had as yet been made up to mid-August.

The Security company based its entire defense on alleged fraud in the procurement of the contract, and Attorney Lesh pressed vigorously for a favorable judgment. It was brought out that the form which was signed by C. W. Pimper, vice-president of the Security company, contained the contract clause in a small block of type in the upper corner of the sheet which could easily have been mistaken for an ornamental decoration to give balance to the letterhead. Attorney Lesh argued that the arrangement was designed to deceive the recipient and lead the defendant into signing a contract when he intended only to approve a listing pasted upon the body of the form. This he said was to induce an unintentional signature to a contract.

The case turned upon the testimony of Mr. Pimper, who admitted he read the small type in the block before affixing his signature to the instrument.

Following the Court's decision, Attorney Lesh advised the Security company against a petition for a writ of error in the District Supreme Court. He pointed out, however, that the case was not identical to those instituted against other warehousemen throughout the country who signed the form without reading the small type in the letterhead.

When argument was made upon the motion for a new trial Attorney Lesh made no additional argument but rested his case entirely upon the facts adduced at the original hearing on July 20. The judge ordered that all papers in the case be turned over to him for his further consideration.

"It seemed to us," said Attorney Lesh, "that there was an intent on the part of the publisher of this directory to obtain the return to it of revised and signed data without attracting the at-

tention of the signer to the fact that the words appropriate to constitute a contract for advertising are in the block printed in the upper right hand corner of the form which Mr. Pimper signed.

"If this device had been successful—that is, if the signor had been induced to sign without reading or noticing the block of type in the upper corner of the sheet—it might be said that the effort of the plaintiff to induce an unintentional signature to a contract was successful. But in our particular case, Mr. Pimper did see and read carefully this block of type.

"The law is that an intent to deceive or to trick is not enough to constitute fraud unless the deceit or trick is successful. In our case the typographical arrangement of the contract did not prevent Mr. Pimper from reading it and considering it, even assuming that there was a malintent in so arranging the printing on the sheet.

"For the assistance of other storage companies who may be sued on this account, we call attention to the fact that there is a case in the Supreme Court of the State of New York supporting our contentions, *American Travel and Hotel Directory Company, Inc., v. the Roycrofters*, decided Nov. 4, 1925, 125 Misc. Rep. 853, 213 N. Y. S. 42. There is, however, a case in the Appellate Court to which appeals are taken from the Supreme Court of the State of New York, which upon the same contract makes the opposite holding on the contentions of the publishers of the directory; that of *American Travel and Hotel Directory Company, Inc., v. Van Blerkom*, decided March 19, 1926, 216 App. Div. 214 N. Y. S. 753."

It was brought out during the recent trial in Washington that Harold W. Phillips, who is an officer of the Publication Division, International Transportation Association, a Maryland corporation, was formerly connected with the American Travel and Hotel Directory Company whose contract was attacked in the cases cited in the foregoing. When questioned, Mr. Phillips said a man named Sweetson prepared the contracts for the Hotel Directory Company and that, as they had been criticized as being so long as to deceive the signer, he endeavored to make this contract so brief that it would not be subject to this criticism.

The Security company has not decided upon its next step, but will await the ruling of the Court now further considering the case.

—P. G. L.

## New Boston Terminal

The Victory Terminal Corporation, organized and incorporated in Boston with a capital stock of \$200,000, took over the Government's wartime Victory plant at Squantum, Mass., on Aug. 2 and will operate it as a terminal. The property is equipped with large and small modern warehouse structures and has ample facilities for speeding incoming and outgoing freight via the N. Y., N. H. & H.

## Trends in Warehousing Are Outlined by Wilson V. Little

"TRENDS of Merchandise Warehousing" is the subject of a talk which Wilson V. Little, Chicago, executive secretary of the merchandise division of the American Warehousemen's Association, made at the recent meeting of the Iowa Warehousemen's Association at Waterloo.

"The first trend is in the physical growth of warehousing," Mr. Little said in part. "In the past five years this growth has been brought before the public by numerous methods through advertising, magazine editorials, radio talks, through the Department of Commerce and various other methods. This in many instances has caused outsiders to enter the warehouse business, such as wholesale grocers, brokers, and financiers who have buildings on their hands suitable for warehouse purposes. This method may also have attracted financial interests who have in turn exploited the warehouse business. Large promotion schemes have been promulgated primarily to sell bonds, using as their bases fictitious figures which are so ridiculous that failure can only result.

"Also in the physical growth large terminal facilities are being consolidated with transportation interests. Another instance which may foretell the continuation of the boom is the building and formation of warehousing in the academic study. A good many of the colleges and the universities specializing in business training are forming courses for the study of this business training. The tendency will be for these students to seek employment throughout the present warehouse industry, and in certain cases they will tend to hasten the promotion of warehousing schemes.

"The second trend is the promotion of the business itself. The sales policy of the present warehouse executive is up to date. Soliciting chains endeavor to keep in close contact with the manufacturer. Another evidence is the directory which is to be distributed by the American Warehousemen's Association; also the propaganda of a national advertising campaign for the industry.

"The third trend is the change or increase in service offered. The modern warehouse of today is not only a storehouse, but has become a large distribution unit in which space is furnished for offices, showrooms, telegraph offices, branch banks, restaurants, and many other services deemed necessary in an up-to-date building. At the present time smaller stocks are kept, smaller deliveries made, and as a result the cost of operation has increased. Also, the leased space in the modern warehouse is increasing in comparison with that space devoted to public warehouse business.

"The fourth trend is the development in trade organizations in taking progressive steps in the development of the business. One of the outstanding is the tendency for uniformity. This is evidenced in the method of quoting rates, billing charges, and use of standard forms."



## Washington Cold Storage Firms Are Consolidated

Distribution and Warehousing's  
Washington Bureau,  
428 Munsey Building.

**S**TOCKHOLDERS of the Washington Market Co. have approved the board of directors' plan to consolidate the company with its subsidiary, the Terminal Refrigerating & Warehousing Co., in order that the plant operation and business of both may be coordinated as one organization to be known as the Terminal Refrigerating & Warehousing Corporation.

Application already has been made under the laws of Delaware for a charter incorporating the Terminal Refrigerating & Warehousing Corporation, which will embrace powers sufficiently broad to meet present business requirements and to permit expansion. At present the business consists of the manufacture and sale of ice, cold storage of perishables, dry storage of merchandise, freight distribution and general trucking. The management of the combined companies recently increased its ice refrigerating business by purchasing plants in outlying Maryland and Virginia districts.

The Terminal Refrigerating & Warehousing Corporation will have an authorized capitalization of \$1,000,000, to be divided into 20,000 shares with a par value of \$50 per share—precisely the same as the outstanding stock of the Washington Market Co. The new company is to exchange its stock, share for share, for the present Market company stock. Meanwhile the new company will hold in trust, for the Market company, all of the stock of the subsidiary Terminal Refrigerating & Warehousing Co.

While the Washington Market Co. is in a sound financial condition, it has been greatly restricted and hampered by the limitations of its antiquated charter, granted by Congress May 20, 1870, and which is no longer workable under present conditions.

"With a modern charter granting liberal powers it would be enabled to conduct its business more efficiently and economically and to pursue its natural growth along conservative lines of development," said Colonel Wrisley Brown, president and general counsel of the Market company.

There will be no changes in the business policies of the organization, according to Simeon T. Price, vice-president, the consolidation being effected solely for the purpose of better coordinating the businesses of the Washington Market Co. and the Terminal Refrigerating & Warehousing Co., which have been under joint management for several years.

The 1870 charter of the Washington Market Co. empowered the company to conduct a large market on reservation No. 7, City of Washington, for a period of 99 years, or until terminated by an act of Congress. In 1872 the company constructed Center Market and made new installations from time to time, adding cold storage facilities in 1887 and an ice manufacturing plant in 1903.

Business expanded until all the market space was occupied and the cold storage was filled to capacity. On Feb. 1, 1907, to meet the growing requirements, Congress passed an Act authorizing the company to build a large plant and warehouse on the city square bounded by Eleventh and Twelfth, E and F Streets, Southwest, for the cold storage of perishables and the manufacture of ice. This auxiliary plant, known as the Terminal Cold Storage & Ice Plant, was opened for business in 1914.

Congress divested the company of its market business on March 4, 1921, by the passage of an Act repealing and annulling certain parts of the charter and lease, which included the taking over of the ground and buildings held by the Market company. After condemnation proceedings the control and operation of Center Market was taken over by the Government on April 1, 1922, and final settlement made to the company by the Government. The ground on which the market building stands is included in the Capital building program provided by Congress, and when the plan is carried

## Here's the Latest: "Move-Ur-Self"

**I**S the household goods warehouse industry's moving business threatened with extinction? Read what the Bee Hive Auto Service Co., Seattle, is announcing:

In connection with a branch office which the Bee Hive has opened at 806 Pike Street the company has inaugurated a system of motor vehicle rentals by which the householder can move his own furniture—so the company says.

out the old market building will give way to a modern office building.

Later the company built its large modern cold storage and ice plant at Four-and-a-half and D Streets, Southwest, on the main line of the Pennsylvania Railroad. This building was financed by the organization of the Terminal Refrigerating & Warehousing Co., all of the stock in which is owned by the Washington Market Co.

Facilities of the companies which will be merged into the Terminal Refrigerating & Warehousing Corporation include 2,650,000 cubic feet of cooler and freezer storage space, 75,000 square feet of merchandise storage space, and adequate facilities for icing refrigerator cars in the plant. Ice production capacity is 350 tons per day and the plant has an ice storage capacity of 14,000 tons.

The officers and directors of the new company will be the same as those in the Washington Market Co.: Charles J. Bell, chairman of the board; Wrisley Brown, president and general counsel; Simeon T. Price, vice-president; G. W. Forsberg, treasurer and vice-president; Robert D.

## Reindeer Meat May Be in Cold Storage in Future

Pacific Coast warehousemen, particularly cold storage operators, are much interested in an experiment with a refrigerated ship in bringing reindeer meat in commercial quantities from Alaska for distribution from Seattle throughout the United States.

The first "reindeer ship" in the world, the former lumber schooner *Sierra*, which has been converted into a motorship, has cleared from the Moore Drydock & Shipbuilding Co.'s yard in Oakland, where she was converted and refrigerated, on her initial voyage to Nome. The ship is owned and operated by the Lomen Reindeer Corporation of New York, of which Carl J. Lomen is president. With A. J. Baldwin, also of New York, Lomen owns 175,000 head of reindeer, a herd which they are rapidly increasing.

On the *Sierra* a complete refrigerating plant, Diesel-powered, has been built in, with 30,000 cubic feet of ammonia-cooled compartments, sufficient to hold 250 tons of reindeer meat. These are in the forward hold, and the after hold will be used for general cargo from Seattle, the vessel's home port, to Nome and other Alaskan ports.

Two round-trip voyages between Seattle and Nome will be made this year, but the regular schedule will be four a year. It is planned to ship the meat east by refrigerator cars on regular train service, but, as an experiment, at the end of this season, Mr. Lomen plans to send one shipload of the reindeer carcasses in the *Sierra* through the Panama Canal to New York.

Mr. Lomen believes that reindeer meat can be distributed to the larger cities of the United States in quantity so that it can be sold at a lower retail price than beef.

## New Cleveland Warehouse

A building permit has been issued to the Cleveland Terminals & Cold Storage Co., Cleveland, for the \$1,500,000 warehouse which the company plans to erect at 2012 West 14th Street. The building will be twelve stories high.

## Boston Produce Terminal

The Boston & Maine Railroad opens its new produce terminal on Rutherford Avenue, Charlestown, Mass., on Aug. 1. The structure contains 90,000 square feet of floor space. Track facilities permit simultaneous unloading of 65 cars in the main building.

Marshall, comptroller; Francis J. Becker, secretary, and Morris W. Bennett, auditor. The senior officers and the following comprise the board of directors:

Eugene E. Thompson, Clarence F. Norment, Appleton P. Clark, Jr., Clarence A. Aspinwall, William M. Hannay, James B. Lambie, Robert D. Marshall and William P. Reeves.—G. H. M.

## Merchandise Stocks Smaller but Distribution Is Wider

THE Federal Reserve Board has just completed a survey of merchandise distribution for the first half of 1927 and has found, it announced on Aug. 15, that merchants generally are leaning to a policy of smaller stocks, in relation to sales, than heretofore. This policy, the Board said, resulted in smaller inventories from January to June, inclusive, than in earlier years, although the retail distribution of merchandise was slightly larger than in the first half of 1926.

"Distribution of merchandise to consumers," the statement reads, "as indicated by sales of department stores, mail-order houses and chain stores, operating in all sections of the country, was slightly larger in the first half of 1927 than in the first six months of 1926."

"Wholesale trade, on the other hand, was smaller in value than in the corresponding period of last year, but this decrease in dollar value of sales has been influenced by the reduction in wholesale prices."

"Inventories carried by department stores averaged smaller and reflected a continuation of the policy of retailers to carry smaller stocks, relative to sales, than in earlier years and thereby to increase the rate of stock turnover."

"Department stores and mail-order house sales were about the same in value, while sales of chain stores, which reflect changes in number of stores as well as in the value of sales, were substantially larger."

"Total sales of approximately 1250 wholesale firms in ten lines of trade—groceries, meats, dry goods, men's clothing, women's clothing, boots and shoes, hardware, drugs, furniture, and agricultural machinery—averaged 6 per cent smaller."

"Declines in sales were reported in all lines except boots and shoes, the largest being in sales of dry goods, women's clothing, and hardware. In the first quarter of the year, sales of wholesale firms were considerably smaller than in the first quarter of 1926, but in the second quarter the decline in the volume of sales from last year was less than in the first three months. A factor in reducing the dollar volume of wholesale trade as compared with 1926, has been the decline in wholesale commodity prices."

"At the end of June the value of inventories of most reporting lines except shoes was smaller than in the summer of 1926. Value of stocks of dry goods and groceries was smaller each month during the first half of 1927 than in the first half of 1926, and those of hardware were smaller in each month except February. Stocks of shoes averaged larger than in the first half of 1926, and at the end of June they were nearly 4 per cent larger than in June of last year."

### San Antonio Firm Expands

The initial project is under way in a \$1,000,000 building program which is planned by the Merchants Transfer Co.,

San Antonio. A group of buildings will go up on property with frontages of 240 feet each along Dolorosa and Nueva Streets and a depth of 436 feet.

The program includes a steel, concrete and hollow tile warehouse, to cost \$15,000, for merchandise storage; a \$45,000 one-story automobile department building, already under construction; a \$20,000 freight garage; and the remodeling of a two-story building, on Dolorosa Street, wherein will be located the company's general offices.

The firm's Main Avenue property where the executive offices are now located was sold recently to a real estate syndicate.

### Bay State Outing

The annual outing of the Massachusetts Warehousemen's Association will be held at the Framingham Country Club, Framingham, on the afternoon and evening of Sept. 15, under the supervision of a committee headed by John G. Greeley, Roxbury.

At the association's August meeting, held at the Exchange Club in Boston on the 16th, it was announced that the October meeting would be held in Fall River.

IN the activities of the warehouse industry's trade associations there has been the usual summertime lull during the past month. The "With the Associations" department accordingly does not appear in this September issue of *Distribution and Warehousing*. The relatively few developments of interest which are editorially available are to be found scattered on these news pages.

### Upper Mississippi Service

The United States Inland Waterways Corporation's Upper Mississippi Division, in the development of which Willard W. Morse, president of the Security Warehouse Co. of Minneapolis and formerly president of the American Warehousemen's Association, has been actively identified in recent months, was opened for business about mid-August.

The division's fleet comprises 275 towboats, barges and miscellaneous craft with a cargo capacity of 1,750,000 tons a year.

Every five days trips will start from both ends of the line—St. Louis to the south and the Twin Cities to the north.

### Gary, Ind., Firm to Build

Announcement is made by A. H. Hale, president of the Gary Transfer & Storage Co., Gary, Ind., that a four-story warehouse will be erected, the structure and the property to represent an investment of \$140,000. The building is expected to be completed next June, and the present warehouse at 817 Washington Street will then be abandoned.

## Iredale Corp. Takes Over Highland Park Warehouse

THE assets and liabilities of the Highland Park Transfer & Storage Co., Highland Park, Ill., have been taken over by the Iredale Fireproof Warehouses, operating household goods depositories in Evanston and Winnetka, Ill., is announced by G. B. Anderson, secretary of both firms. P. H. Prior succeeds Alex Rafferty as manager of the Highland Park property.

Iredale Fireproof Warehouses is the new corporate name of the Iredale company, formerly known as the Iredale Fireproof Warehouse. Earl C. Iredale heads the business as president.

The Highland Park company was established by Mr. Iredale in 1924 and has been operating a household goods and merchandise warehouse at 374 Central Avenue. The company's name is now discontinued in favor of Iredale Fireproof Warehouses.

### New Chicago Firm

The Howard Storage & Van Co., Inc., has been incorporated in Chicago, with address at 7616 North Paulina Street, "to operate storage warehouses of all kinds and descriptions." The capital is \$10,000 and the incorporators are Ivan F. Sweeney, Marie A. Eischen and Joseph Brader.

### New England Truck War

A transportation war is in progress in New England, with Massachusetts and New Hampshire siding against Maine—owing to Maine's recently enacted law which requires motor trucks entering from other States to pay a Maine State registration fee if the vehicles are of more than 1-ton capacity.

In retaliation, Frank A. Goodwin, motor vehicle registrar of Massachusetts, has notified police officials along the northern border to prevent any Maine trucks of more than that capacity from entering the Bay State.

New Hampshire has taken the same action against Maine vehicles.

Appeals have been made to Governor Brewster of Maine but his hands are tied until the Maine Legislature meets again.

### Pocatello Company Organizes

A new firm, the Pocatello Bonded Warehouse Co., Inc., has been formed in Pocatello, Idaho. The officers are: President, J. S. Bussell; secretary, Walter J. Lloyd; manager, C. E. Rush; assistant manager, Clarence E. Rush.

The company's address is 633 South Second Avenue.

### New Bloomington, Ind., Firm

The Ross Fowler Storage & Service Station is the name of a newly-organized household goods storage company which has opened for business at 210 West 4th Street, Bloomington, Ind. Long distance hauling will be part of the business.

# HERE AND THERE IN THE INDUSTRY

## Allows Lower Rate on Return Loads

THE Ohio Public Utilities Commission in a recent ruling upheld the practice of allowing a 20 per cent less rate on return loads of household goods transported by motor truck.

The decision was made in a friendly action brought by the Windermere Storage Co., Cleveland, against the Edwards Transfer Co., Columbus, in order to get a Commission ruling.

The policy of giving a lower rate of return loads of household goods has developed in Columbus and central Ohio only because of strong competition. Inasmuch as Ohio is the only State in which tariffs for hauling household goods are required, it was considered desirable to have the problem tested before the State.

The Commission found that the practice had not developed to such an extent that it was working a hardship on anyone.

## New Cotton Warehouse Firm

The new Los Angeles Compress & Warehouse Co. of Wilmington, in southern California, started operations on Aug. 20, with the completion of the setting up of the \$125,000 cotton compress. Approximately 500,000 bales of cotton from the Imperial and San Joaquin valleys in California, and the Salt River Valley, Arizona, are being compressed and stored for export as the first run of the new plant.

I. E. Blohm, former manager of the Union Terminal Warehouse Co., Los Angeles, has been appointed manager of the new corporation, and supervised the installation of the 300,000-pound compress, with the assistance of Robert Cummings, engineer in charge. Approximately \$500,000 has been invested in the new cotton compressing and warehousing plant to provide it with facilities adequate to handle the steadily increasing crop of cotton produced in California and Arizona.

Officials of the new firm, which succeeds cotton handling business the Union Terminal Warehouse Co. in the outer harbor of Los Angeles, are A. H. Lambert, president; L. S. Atkinson, vice-president; M. G. Scott, secretary-treasurer; and a board of directors comprising J. G. Boswell, Walter J. Simpson, J. R. Howard, C. L. Maudlin, L. Gordon White, and A. W. Ashburn.

The warehousing feature of the new concern will enable the growers of the

high-priced long-staple cotton produced in California and Arizona to store it successfully while awaiting shipment, without having first to ship it to New Orleans or Galveston. Cotton is becoming annually a larger crop in this area and warehousing and compress facilities for it have been needed badly for some time. Mr. Blohm's appointment as general manager was made with the approval of Gerald Fitzgerald, head of the Union Terminal Warehouse Co.

## Correction

The name of the secretary of the Bayway Terminal, operating in Elizabeth, N. J., is George Fink. In error the name "Charles E. Finck" appeared in a news story which appeared on page 62 of the August issue of *Distribution and Warehousing*.

## Westland Business Increases

The semi-annual report of Westland Warehouses, Inc., Los Angeles, issued by LeRoy D. Owen, vice-president and general manager, shows that 3192 carloads were handled during the first half of 1927, as compared with 1615 and 1855 carloads respectively in the corresponding periods in 1925 and 1926. The increase over the handlings in the first half of 1926 is 72 per cent.

The company's new \$200,000 warehouse, which will bring the total available storage space to 400,000 square feet, has its first four floors already filled to capacity, according to Mr. Owen, and the fifth and sixth floors were nearing completion early in August.

The report states that the Westland now handles more than 80 per cent of all new automobiles distributed in southern California. Approximately 700 carloads of automobiles, together with more than 100 carloads of general merchandise, were received during July.

## Cater Heads Washington W. A.

AT the annual meeting of the Washington State Warehousemen's Association, held in Spokane, C. C. Cater, president of the Cater Transfer & Storage Co., Spokane, was elected president; O. C. Taylor, secretary of the Taylor-Edwards Warehouse & Transfer Co., Seattle, was chosen vice-president; Walter E. Petty, manager of the Pacific Transfer Co., Spokane, secretary; and G. B. Nicoll, secretary of the United Warehouse Co., Seattle, treasurer.

The association voted that one year's membership in the State association should be essential before any State member should apply for admittance to the National Furniture Warehousemen's Association or the American Warehousemen's Association.

## The Motto That Impressed

ARE you following the Old Family Album sketches published each month? Hisao Kurimoto, of the Tokio branch of the Mitsubishi Warehousing Co., Ltd., reads them.

The first of the O. F. A. series was about Charles S. Morris, president of the Metropolitan Fireproof Warehouse, Inc., New York, and a past president of the National Warehousemen's Association.

Hisao Kurimoto writes from Tokio to Mr. Morris:

"I read the article in *Distribution and Warehousing* and was greatly impressed by a wonderful success you have achieved in the warehousing industry in America. Your motto 'Find yourself and then some one will find you' has deeply impressed me and will also be my motto that will govern my life."

## Catalogs Requested

Manufacturers are requested to mail their catalogs, booklets and circulars, descriptive of their products, to the Business Library, Bush Terminal Sales Building, 130 West 42nd Street, New York City.

The Business Library furnishes information to buyers, domestic and foreign, resident or visiting New York. This is a non-profit service.

The Business Library contains business papers, manufacturers' catalogs, trade directories, etc., from which the information desired is obtained.

## Plymetl Installations

Announcement is made by the Haske-lite Manufacturing Corporation, Chicago, that Plymetl furniture fumigation vaults have been recently installed by the following warehouse companies:

Lincoln Warehouse Co., St. Louis.  
Monumental Storage & Carpet Cleaning Co., Baltimore.  
Morgan & Brother, New York City.  
John B. Southee, Inc., Binghamton, N. Y.  
St. Joseph Transfer & Storage Co., St. Joseph, Mo.  
Z. L. Travis Co., Steubenville, Ohio.

## Hamley Recovered

George Hamley, president of the Colonial Warehouse Co., Minneapolis, is convalescing from a severe illness of pneumonia.



# Confidence

No business can achieve vast proportions nor attain permanency unless it secures the confidence of those who make up the industry it serves.

This confidence must come as the result of meritorious service consistently rendered.

The long, successful record established by Moores & Dunford as Warehouse building experts combines the thorough experience and understanding of the Warehouseman, the Engineer, the Architect and the Builder.

It is these qualities or factors that have made the name of Moores & Dunford an outstanding one in the matter of Warehouse design and construction. The confidence of the industry has been secured through performance that has left a record of great accomplishment.

Whatever your Warehouse problems may be, either in the matter of new construction or an addition to your present Warehouse, we are in a position to render you a most valuable service—one that will not only **save you money** in building but that will provide the maximum return on your investment.

We cordially invite your inquiries and will gladly arrange for an appointment regardless of your location.

*We charge no fee for consultation and advice*

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110 East 42nd Street

New York City



WHEN WRITING ADVERTISERS MENTION DISTRIBUTION AND WAREHOUSING

# HERE AND THERE IN THE INDUSTRY

## Fisheries Convention

The annual meeting of the United States Fisheries Association, with which a number of cold storage warehouse companies are identified, was held in the Hotel Statler in Boston on Aug. 10-13 with delegates present from Alaska, Canada and England, as well as all parts of the United States. Better methods of handling, freezing and storing fish were discussed.

Gardner Poole, a past president of the American Warehousemen's Association, presented a report as chairman of the constitution and by-laws committee and was later elected an honorary vice-president. Mr. Poole is president of the Quincy Market Cold Storage & Warehouse Co., Boston.

Paul W. Peterson, vice-president of the Bay City (Mich.) Freezer, Inc., submitted a report as chairman of the cold storage committee. The outstanding event in the cold storage division in the past year was without question, he declared, the publication by the Government of Harden F. Taylor's book, "Refrigeration of Fish," Bureau of Fisheries Document No. 1016, obtainable from the Government Printing Office, Washington, D. C., for 30 cents.

"No treatise on the handling of fish has ever been issued which is of greater importance to the entire industry," Mr. Peterson said. "It presents a true picture of the present developments and the present best practices in the shipment of fish as well as in the freezing and cold storage of fish."

Mr. Peterson stated that there was "no important cold storage legislation of national scope pending at this time."

## New England Survey Incomplete

C. E. Artman, commercial agent of the domestic commerce division of the Bureau of Foreign and Domestic Commerce of the Department of Commerce, has requested *Distribution and Warehousing*, through the latter's Boston editorial correspondent, S. F. Holland, to request immediate replies from all New England public warehouse companies which have not yet responded to the questionnaire which the Department of Commerce sent out some time ago in its work of conducting a survey of New England's warehouse industry.

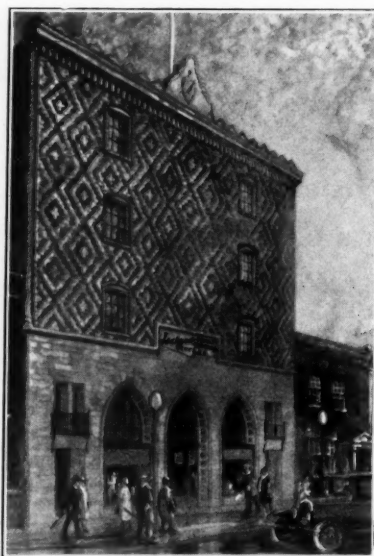
"I am sorry that the replies from our inquiry on the warehousing industry in New England are not yet sufficiently complete to give any summary statement at this time," Mr. Artman wrote to Mr. Holland under date of Aug. 12.

"We are still having to follow up a large proportion of the warehousing people who have not yet sent in their replies, and possibly you could through *Distribution and Warehousing* urge upon

the delinquent companies their own self-interest in replying promptly to our questionnaire. We shall be sending out a repeat questionnaire to all non-responding warehouse concerns within a few days.

"We appreciate your interest in this project and shall be glad to make our information available as soon as it is sufficiently complete to warrant it."

## Another Jackson Unit



Here's how the seventh warehouse of the Jackson Storage & Van Co. of Chicago will look when completed. This new Jackson depository is going up at 22nd Street and Central Avenue.

## Neptune Warehouse Described in New Buildings Series

(Concluded from page 38)

of the first two floors in an open storage area.

The remaining four floors are laid out into private storage rooms with smooth gypsum block partitions and labeled steel doors.

The front of the building is treated to conform with that of the first unit—tapestry brick and terra cotta trim. Sides and rear are constructed of 8-inch reinforced concrete poured simultaneously with the columns, waterproofed, and backed up with 3-inch smooth-faced hollow tile.

The building was designed and supervised by Lewis & Leonard, New York architects and engineers specializing in warehouse design.

## Franklin Co. Moves Graphic

When the *Evening Graphic*, one of New York's tabloid newspapers, removed from 25 City Hall Place to its new \$4,000,000 home at 350 Hudson Street on July 23, the big job was handled by the Franklin Fireproof Warehouses, Inc., Brooklyn.

Linotype and stereotype machines were dismantled and lowered to the street level, and, along with the varied equipment of the business, advertising, editorial and circulation departments, were transferred by truck to the new building.

The work was done between Saturday's final edition and Monday's first, so that publication of the *Evening Graphic* was not interrupted.

## Bing Now Manages U. T.

A. C. Bing was appointed vice-president and manager, effective Aug. 1, of the Union Terminal Warehouse Co., Los Angeles. He succeeds I. E. Blohm, who had resigned to become general manager of the new Los Angeles Compress & Warehouse Co.

Formerly in an oil company's accounting department, Mr. Bing joined the Union Terminal as an auditor in December, 1920. On Jan. 1, 1926, he became secretary of the firm and manager of the warehouse in Los Angeles.

## Buffalo Terminal Planned

The Cleveland & Buffalo Transit Co. will erect a new terminal in Buffalo, according to T. F. Newman, president of the company, which has its headquarters in Cleveland. A trust deed for the issuance of \$2,000,000 worth of first mortgage bonds to finance the terminal has been filed in Cleveland.

The Buffalo terminal will be modeled after the one opened in Cleveland in 1915.

A site for the Buffalo project was purchased two years ago at the foot of Erie Street. This property, 200 by 800 feet, is a short distance from the heart of the city.

Contracts for the project have not been let but the work should be completed within two years.

The present terminal is at the Michigan Street bridge, Buffalo River. The new project would save boats twenty minutes' time each trip while docking.

Manitoba, Winnipeg—Security Storage & Warehouse Co., Ltd., has purchased property, 109 by 207 feet, at Portage and Huntleigh Avenues and plans to erect in 1928 a 5-story fireproof warehouse with garage and rug-cleaning plant in connection.



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 New York Furniture Warehousemen's Ass'n.  
 Van Owners' Association of Greater New York

International Harvester Company of America,  
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 Long Island City, New York.

Gentlemen:

I have been in the moving and storage business for sixteen years and have used seven different makes of trucks, and through long and varied experience I have found that International Harvester motor trucks are best for my business.

In the first place, my Internationals operate at a cost at least 15% less than the other makes which I have used. They have more resiliency than other trucks; in fact, they ride like touring cars. This quality in a truck is very important in my line of business and has been a strong factor in my choice of hauling units.

With regard to service, I have always found your organization competent and conveniently available. For example, on a recent haul to Englewood, New Jersey, one of my drivers broke a fan pulley. He immediately located an International dealer near at hand and the delay was of very short duration. It is good to know that no matter where my trucks may be sent, your service, through your many Company-owned branches and authorized dealers, is always available and permanent.

I have just added a new International Speed Truck to my present fleet of Internationals. My first International, a Model 61, which I got in 1922, is in splendid condition and is still going strong. I am pleased to tell you that I have found it pays to standardize on International Harvester motor trucks.

Very truly yours,

A handwritten signature in cursive script, reading "Louis Cella".

President.  
 of G. SANTI'S & CO., Inc.

The International line includes the Special Delivery for loads up to 3½-ton, 4 and 6-cylinder Speed Trucks of 1½-ton, 1½-ton and 2-ton sizes, Heavy - Duty Trucks ranging from 1½-ton to 5-ton sizes, Motor Coaches, and McCormick - Deering Industrial Tractors. For further information write to International Harvester Company of America, Inc., 606 So. Michigan Ave., Chicago, Ill.

# INTERNATIONAL TRUCKS

WHEN WRITING ADVERTISERS MENTION DISTRIBUTION AND WAREHOUSING



## Construction, Removals, Purchases and Changes

### Alabama

**OPELIKA**—Opelika Ice Co., recently formed with a capital of \$50,000, has plans for a \$45,000 cold storage warehouse and ice plant. H. W. Caldwell of Lagrange, Ga., and W. M. Holton of Newman, Ga., head the firm.

### California

**Los Angeles**—Pacific Coast Terminal Warehouse has been granted permission by the State Railroad Commission to issue \$10,000 worth of securities to finance acquisition and operation of warehouse facilities. Securities will be in form of 100 shares of common stock at not less than \$125 a share, to be sold on or before Dec. 31.

**Modesto**—Modesto Ice Delivery Co. has taken out a permit for a 1-story cold storage warehouse and ice plant estimated to cost \$30,000.

**Oakland**—Gordon Terminal has completed plans for a 1-story terminal and warehouse building, 366 by 480 feet, and a smaller warehouse, 120 by 120 feet, at Magnolia and Twenty-sixth Streets, the two to cost more than \$100,000.

**Pajaro**—Pacific Fruit Express Co., San Francisco, has plans for a \$25,000 1-story addition to its cold storage warehouse and ice plant in Pajaro.

**Pasadena**—Nold Transfer & Storage Co. has gone out of business. The company was owned and operated by the Pacific Terminal Warehouse Co., Los Angeles.

**Stockton**—Western Pacific Railroad will erect a warehouse, 60 by 700 feet, in connection with other structures, the entire project to cost \$200,000.

### Florida

**Leesburg**—City Council has filed plans for expenditure of \$50,000 in extending and improving the municipal cold storage warehouse.

**St. Petersburg**—Security Finance Corporation has filed plans for a \$25,000 1-story warehouse on Ninth Avenue near Thirty-fourth Street.

### Georgia

**Atlanta**—Southeastern Compress & Warehouse Co. has acquired the property of the Atlanta Warehouse Co. on Stewart Avenue (a tract of 45 acres and warehouse buildings known as the Candler Warehouse), and is reported to be planning expansion of storage facilities.

### Idaho

**Idaho Falls**—Eastern Idaho Loan & Trust Co. has broken ground for a \$24,000 1-story warehouse, 40 by 300 feet.

### Illinois

**Chicago**—Slater's Fireproof Storage Co. has leased from the University of Chicago a 5-story warehouse, containing 140,000 square feet of floor space, at La Salle and Twenty-third Streets, for a period of ten years at an annual rental of \$55,000, and will occupy it as a branch plant.

**Chicago**—Hollander Fireproof Warehouses are said to have concluded negotiations for the purchase of the 5-story warehouse, 50 by 125 feet, at 2431-2433 Irving Park Boulevard, erected originally for the Simon Fireproof Storage Co.

### Indiana

**South Bend**—New York Central Railroad Co. has plans for a \$24,000 1-story warehouse and freight station on Prairie Avenue.

### Kentucky

**Carrollton**—Northern District Warehousing Corp. has increased its capital stock to \$925,000 from \$641,605.

**Shelbyville**—Western District Warehousing Corp. has increased its capital stock to \$1,425,000 from \$969,830.

### Louisiana

**Lake Charles**—Lake Charles Compress & Warehouse Co., recently organized with a capital of \$75,000, is said to be planning expending \$45,000 on improving its warehouse.

**New Orleans**—New Orleans Cold Storage & Warehouse Co., Ltd., contemplates extensions and improvements, with installation of additional equipment, in its recently acquired cold storage warehouse.

**Plaquemine**—City Council has preliminary plans for a \$25,000 municipal cold storage warehouse and ice plant.

### Maryland

**Baltimore**—Baltimore Transfer Co. has arranged to take over under lease a \$75,000 3-story warehouse to be erected at 704-706 Forrest Street.

**Baltimore**—C. Hoffberger Co. is planning to build a \$400,000 cold storage warehouse and ice plant, six stories and basement, to contain 75,000 square feet, at Monument, Forrest and Clark Streets.

### Massachusetts

**Springfield**—Boston & Maine Railroad Co. is planning to put up a \$200,000 fruit and produce service warehouse on Columbus Street.

### Michigan

**Detroit**—Leonard Warehouses, Inc., plans construction of a \$500,000 9-story warehouse on West Chicago Boulevard.

**Grand Rapids**—Richards Storage Corp. announces the appointment of B. C. Hubbard as general manager of the Grand Rapids, Kalamazoo and Muskegon plants. Mr. Hubbard succeeds Carroll M. Emerson, resigned.

### Minnesota

**Minneapolis**—City Council has authorized expenditure of approximately \$75,000 for extensions in its warehouse and dock building at the river terminal at the foot of the Washington Avenue bridge.

**Minneapolis**—The Skellet Co. has moved to more spacious office quarters at 514 Second Avenue, South.

**St. Paul**—Fidelity Storage & Transfer Co. has changed its office address to 4 West Fourth Street from 331 Wabasha Street.

## New Incorporations Within the Industry

### Arkansas

**LITTLE ROCK**—Terminal Warehouse Co. Consolidation of Terminal Warehouse Co. and Terminal Warehouse Corporation under former name. Capital stock, 6500 shares, of which 3250 are common stock and 3250 are cumulative preferred stock. Incorporators, S. J. Beauchamp, president; Gordon N. Peay, W. F. Alfrey, W. F. Ault, G. D. Henderson, R. E. Overman, Eugene Stern and J. H. Estes.

**Pine Bluff**—Ice Service Co., Inc. Cold storage warehousing and ice. Capital, \$10,000. Incorporators, A. H. Miller, J. W. Dawley and T. M. Hooker.

### California

**Long Beach**—Zimmerman's Transfer & Storage Co. Warehousing and transfer. Capital, \$50,000. Incorporators, A. F. Zimmerman, president of Zimmerman Bros., and L. H. Zimmerman, secretary of Zimmerman Bros., which was established in 1925.

**Los Angeles**—Doris Transfer. Storage, moving, transfer and hauling. Lillian M. Weeks is owner.

**Los Angeles**—Los Angeles Compress & Warehouse Corp. To operate cotton compress and warehouse by arrangement with city. Incorporators include eight members of Los Angeles Cotton Exchange. A. H. Lamberth heads the company and M. G. Scott is secretary-treasurer.

### Connecticut

**Bridgeport**—Connecticut Warehouses, Inc. Eli Raymond of Norwalk is president and treasurer; Emil Hemming of Norwalk is vice-president, and William J. Buckley of Bridgeport is secretary. The foregoing and I. P. Spinning and Michael J. Howard of Norwalk and Joseph F. Gaynor of Bridgeport comprise the directors.

**Griswold**—Griswold Warehouse, Inc. Storage warehousing. Capital, \$50,000. Incorporators, A. M. Brown and L. M. Carpenter.

**New Haven**—Atlantic Warehouse Co. Storage warehousing. Capital, \$60,000. Incorporators, Frank Teitelman, president, and Maurice Podoloff, secretary.

**New London**—Tourjee Transportation Co. of New London. Merchandise transport. Authorized capital, \$50,000. Incorporators, John B. Tourjee and Hilda Hazler of Groton and Philip Adel of New London.

### Delaware

**Dover**—Holden Warehouses, Inc. Storage warehousing. Capital, \$500,000.

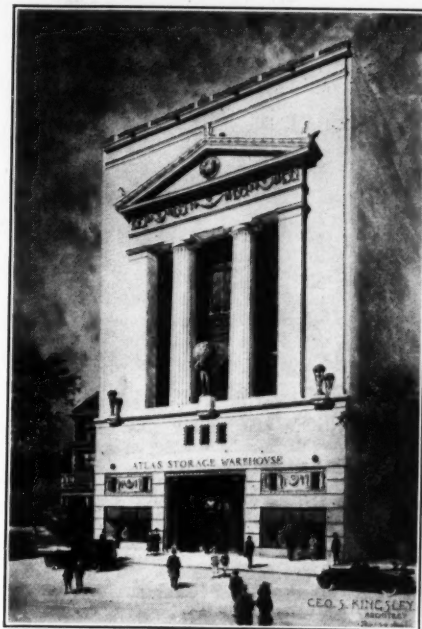
**Wilmington**—National Motor Freight Lines, Inc. Transfer and express. Capital, \$1,000,000.

### Florida

**Lakeland**—Lakeland Cold Storage Co. Cold storage warehousing. Capital, \$50,000. Incorporators, Walter R. Williams and J. C. Swindell.

(Concluded on page 56)

(Concluded on page 56)



ATLAS STORAGE WAREHOUSE CO.  
4015 Walnut St., Philadelphia, Pa.  
WALTER E. SWEETING, President

# THE ATLAS STORAGE WAREHOUSE CO.

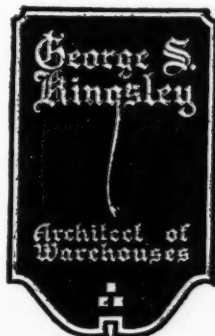
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New York City

## New Incorporations Within the Industry

(Concluded from page 54)

### Indiana

**Terre Haute**—Terre Haute Warehouse Co. To conduct place or places for storage of railroad ties for compensation. Capital stock, \$10,000. Incorporators, Howard Andrews, Arthur D. Andrews, Joseph B. Card and John E. Stein.

### Massachusetts

**Boston**—Victory Terminal Corporation. Capital, \$200,000. Incorporators, Maurice Strock and R. C. Tuckwell of Boston and Samuel J. Wilde of Weymouth.

**Cambridge**—Cambridge Storage Warehouse Co. To conduct warehouses. Capitalization, \$100,000, one hundred shares, \$100 each. George A. Kearsley is president and Basil S. Collins is treasurer. E. E. Boncere is the third incorporator.

**Lynn**—East Lynn Storage Co. Storage warehousing. Andrew J. Mahoney heads the company.

**Worcester**—Worcester Refrigerating Co. Cold storage warehousing and refrigeration. Capital, \$25,000. Donald Luey is president and treasurer.

### Michigan

**Detroit**—Detroit-McCallum Co. Storage warehousing. Capital, \$50,000. Incorporators, William T., George C. and Edward J. McCallum.

### Missouri

**Kansas City**—Schurtz System Refrigeration Co. Cold storage warehouse and refrigeration. Capital, \$100,000. Incorporators, Robert N. Tutt and Ralph E. Schurtz.

### New Jersey

**Bayonne**—Sklar Bros. Padded Vans & Storage Co.

### New York

**Brook Haven**—Ruhland Motor Express, Inc. Transfer and express. Capital, \$10,000. Principal incorporator, H. J. Schoenfeld, Patchogue.

**Brooklyn**—T. R. & M. Motor Haulage Corp. Transfer and trucking. Capital, \$15,000.

**Freeport**—Bell Warehouse & Trucking Corp. Warehousing and transfer. Nominal capital, \$1,000. Principal incorporator, H. G. Clock.

**New York**—Sherman Moving Van Co. Storage, van service, etc. Capital, \$10,000.

### North Carolina

**Charlotte**—Piedmont Bonded Warehouse Co. Cotton storage and sales. Capital stock, \$100,000. Incorporators, J. A. Cannon, C. W. Burd and J. A. Cannon, Jr.

**Mount Airy**—North Carolina-Virginia Motor Express, Inc. General transfer. Capital, \$10,000. Incorporators, J. E. Monday, T. D. Hatcher and F. P. Johns.

**Reidsville**—Rockingham Warehouse Co. Farm products. Capital stock, \$100,000. Incorporators, J. N. Watt, J. C. Hutcherson, A. P. Sands and R. S. Montgomery.

### Ohio

**Cincinnati**—Dixie Cartage Co. General storage and haulage business. Capital, 5000 shares of stock, no par value designated. Incorporators, Clarence D. Maddy, Thomas S. Kemp and Vera M. Presher.

**Cleveland**—C. J. Cole Co. General storage, transfer and cartage business. Capital, 400 shares of stock, no par value. Incorporators, Read M. Kuhns, James A. Weeks and H. Walter Stewart.

**Cleveland**—Van Moving Co. General transfer and haulage business. Capital, 100 shares of stock, no par value designated. Incorporators, J. Van DeMott, Charles Van DeMott and A. H. Van DeMott.

**Columbus**—Hilltop Transfer Co. General transfer and haulage business. Capital, 250 shares of stock, no par value designated. Incorporators, Emil J. Kunzi, L. Rittgers and Charles H. Greenwald.

**Portsmouth**—Glockner Cartage Co. Warehousing, forwarding, transfer and haulage. Capital, \$100,000. Incorporators, Adolph A. Glockner, Helen M. Glockner and Edwin A. Glockner.

**Toledo**—Toledo Motor Transit Co., Inc. General motor trucking and haulage business. Capital, 250 shares of stock, no par value designated. Incorporators, William F. Miller, J. Kenneth Raabe and H. Henry Miller.

### Pennsylvania

**Philadelphia**—Cloverleaf Motor Van Service, Inc. Storage and van transfer. Capital, \$10,000.

### Texas

**Dallas**—Union Compress & Warehouse Co. Warehousing. Capital, \$250,000. Incorporators, J. W. Wright, George R. Evans and H. F. Underwood.

**Schulenberg**—Schulenberg Compress & Warehouse Co. Cotton storage and warehousing. Capital, \$20,000. Incorporators, F. O. Brown and C. A. Pearson.

### Wisconsin

**Shawano**—Shawano Cooperative Cold Storage Co. Cold storage warehousing. Capital not stated. Incorporators, August Beversdorf, Charles Piehl and H. C. Mueller.

## Construction, Removals, Purchases and Changes

### Texas

**Houston**—Port Commission has plans for a \$300,000 1-story warehouse and transit shed in connection with new wharves to be known as Nos. 14 and 15.

**Houston**—Texas Terminals, Inc., is having plans drawn for a 10-story warehouse, 250 by 500 feet, and a 7-story adjoining unit, 50 by 250 feet, near the Main Street viaduct. The entire project is estimated to cost more than \$2,500,000.

### Virginia

**Richmond**—Atlantic Coast Line Railway Co. has filed plans for a \$20,000 3-story warehouse at Railroad Avenue and Ninth Street.

## Construction, Removals, Purchases and Changes

(Concluded from page 54)

### Mississippi

**Columbus**—Thomas J. Locke and associates have plans for a \$30,000 1-story cold storage warehouse on a site 50 by 50 feet.

**Laurel**—Laurel Ice & Packing Co. is completing plans for a \$55,000 1-story cold storage warehouse and ice plant, 110 by 250 feet.

### Missouri

**Carthage**—Carthage Ice & Cold Storage Co., recently acquired by interests headed by C. K. Roland and Harry A. Spalding, plans to erect a cold storage warehouse and to spend \$40,000 to improve the present plant.

**St. Louis**—Merchants' & Manufacturers' Railroad Warehouse Co. has awarded a general contract for extensions and alterations in its 1-story warehouse at 3900 Chouteau Street, estimated to cost \$18,000.

### New Jersey

**Jersey City**—Board of City Commissioners has preliminary plans for a \$10,000,000 group of multi-story warehouses and terminal buildings as a municipal marine terminal on the waterfront between the Lehigh Valley and Pennsylvania Railroad tracks.

### New York

**Brooklyn**—Kings County Refrigerating Co. has plans for a \$50,000 4-story cold storage warehouse at 24-48 Hall Street.

**Brooklyn**—Modern Warehouse & Storage Co. has filed notice of company dissolution under State laws.

**Brooklyn**—Rubel Coal & Ice Corp. has filed plans for a \$32,000 1-story cold storage warehouse and ice plant, 62 by 130 feet, at 1506 Myrtle Avenue.

**Buffalo**—Cleveland-Buffalo Transit Co. has revised plans for a \$750,000 1-story and 2-story warehouse and terminal in connection with its new dock at the foot of Erie Street.

**New York**—Erie Railroad Co. has filed plans for a \$40,000 2-story warehouse and freight station, 40 by 74 feet, at 149th and Exterior Streets and the Harlem River.

**New York**—Independent Warehouses, Inc., is reported to be planning to rebuild its warehouse, at South and Front Streets, which was damaged by a collapse of two of its walls on July 23.

**North Tonawanda**—New York Central Railroad Co. is planning a \$140,000 warehouse and freight station on Schenck Street.

**Schenectady**—W. Cady Smith has removed to 301 Liberty Street from 114 Wall Street.

### North Carolina

**Winston-Salem**—Taylor Warehouse Co. has let a contract for a \$60,000 warehouse to contain 44,000 square feet of space. Equipment will include automatic scales, elevator and trucks.